

DECLARATION OF COVENANTS AND RESTRICTIONS
HARBOR POINT
(A Residential Subdivision)

STATE OF TEXAS X
COUNTY OF MONTGOMERY X

THIS DECLARATION, made on the date hereinafter set forth by DOYLE TOW, INC., a Texas corporation, with its principal business domicile in Conroe, Montgomery County, Texas, hereinafter referred to as "Declarant",

W I T N E S S E T H:

WHEREAS, Declarant and the other parties named in Article III hereof (hereinafter sometimes referred to as the "Other Owners") are the owners of the real property described in Article III of this Declaration, and desire to create thereon a residential community with designated "Lots" and "Common Properties" and "Common Facilities" (as those terms are defined herein) for the benefit of the present and future owners of said Lots; and,

WHEREAS, Declarant and Other Owners desire to provide for the preservation of the values and the amenities of said Common Properties and Common Facilities, and, to this end, desire to subject the real property described in Article III, together with such additions as may hereafter be made thereto (as provided in Article III), to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and,

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an agency to which will be delegated and assigned the powers of maintaining and administering the Common Properties and Common Facilities in Harbor Point Subdivision, and administering and enforcing the covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created; and,

WHEREAS, Harbor Point Association has been incorporated under the laws of the State of Texas, as a non-profit corporation, for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, the Declarant and the Other Owners declare that the real property described in Article III, and such additions thereto as may hereafter be made pursuant to Article III hereof, is and shall be held, transferred, sold, conveyed, occupied and enjoyed, subject to the covenants, restrictions, easements, charges and liens (sometimes referred to herein as "Covenants and Restrictions") hereinafter set forth.

ARTICLE I

Definitions

The following words, when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to the HARBOR POINT ASSOCIATION, its successors and assigns.

(b) "Harbor Point Subdivision" shall mean and refer to Harbor Point, and to all subsequent sections of Harbor Point brought within the scheme of this Declaration.

(c) "The Properties" shall mean and refer to the properties described in Article III hereof which are subject to this Declaration.

(d) "Subdivision Plat" shall mean and refer to the map or plat of Harbor Point recorded in Cabinet ____, Sheet ____, of the Map Records of Montgomery County, Texas.

(e) "Lot" and/or "Lots" shall mean and refer to each of the lots, Reserves 2 and 3 (except the portions of Reserves 2 and 3 burdened by those certain perpetual easements created upon and across such Reserves 2 and 3 by this Declaration, in Article II, Section 6), and Reserves 5 and 6, all as shown upon the Subdivision Plat, but shall not refer to the Reserves 1, 4 and 8 through 14. References herein to "the Lots (each Lot) in Harbor Point Subdivision" shall mean and refer to Lots as defined respectively in this Declaration and all Supplemental Declarations.

(f) "Common Properties" shall mean and refer to all those areas of land within the Properties as shown on the Subdivision Plat, except the Lots and the streets shown thereon, together with such other property as the Association may, at any time or from time to time, acquire by purchase or otherwise, subject, however, to the easements, limitations, restrictions, dedications, and reservations applicable thereto by virtue hereof and/or by virtue of the Subdivision Plat. References herein to "the Common Properties in Harbor Point Subdivision" shall mean and refer to Common Properties as defined respectively in this Declaration and all Supplemental Declarations.

(g) "Common Facilities" shall mean and refer to all existing and subsequently provided improvements upon or within the Common Properties, except those as may be expressly excluded herein. By way of illustration,

Common Facilities may include, but not necessarily be limited to, the following: structures, for recreation; storage or protection of equipment; fountains; statuary; sidewalks; common driveways; landscaping; and other similar or appurtenant improvements. References herein to "the Common Facilities (any Common Facility) in Harbor Point Subdivision" shall mean and refer to Common Facilities as defined respectively in this Declaration and all Supplemental Declarations.

(h) "Supplemental Declaration" shall mean and refer to any Supplemental Declaration of Covenants and Restrictions bringing additional property within the scheme of this Declaration under the authority provided herein. References herein (whether specific or general) to provisions of or set forth in "all (any) Supplemental Declarations" shall be deemed to relate to the respective properties covered by such Supplemental Declarations.

(i) "Owner" shall mean and refer to the record owner, or if the Lot (or portion thereof) is subject to a term purchase contract with Declarant, to the contract purchaser, whether one or more persons or entities, of the fee simple title to any Lot (or portion thereof) but, notwithstanding any applicable theory of mortgage, shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. References herein to "the Owners in Harbor Point Subdivision" shall mean and refer to Owners as defined respectively in this Declaration and all Supplemental Declarations.

(j) "Member" and/or "Members" shall mean and refer to all those Owners who are members of the Association as provided in Article IV, Section 4 hereof.

(k) "Residential Structure" shall mean and refer to any structure which contains one or more Residential Units.

(l) "Residential Unit(s)" shall mean and refer to each (and all) single family residential units in the Properties, including both single family Residential Structures and the respective individual single family units which compose multifamily Residential Structures. Reference to multifamily Residential Structures herein shall not be deemed to permit the use of any Lot in the Properties for any purpose other than those purposes specifically provided for in this Declaration. References herein to "the Residential Units in Harbor Point Subdivision" shall mean and refer to Residential Units as defined respectively in this Declaration and all Supplemental Declarations.

(m) "Completed Residential Structure" shall mean and refer to a Residential Structure (whether single-family or multi-family) within which there is at least one (1) Completed Residential Unit. "Completed Residential Unit" shall mean and refer to a Residential Unit which has:

(i) been substantially completed for a period of ninety (90) days (for the purposes hereof the term "substantially completed" shall mean that the Residential Unit is ready for sale or occupancy, except for minor items which must be furnished, completed corrected or adjusted); or

(ii) become or been permitted to be occupied.

(n) "Building Site" shall mean and refer to any portion of any Lot or Lots which is the site of one completed Residential Structure, the size and configuration of which Building Site must be consistent with the standards contained in Article VIII., Section 5 of this Declaration, as applicable, and the location and orientation of which Residential Structure on such Building Site must be approved by the Architectural Control Committee as provided in Article VIII. of this Declaration.

ARTICLE II

Reservations, Exceptions and Dedications

Section 1. Existing Easements. The Subdivision Plat dedicates for use as such, subject to the limitations set forth therein, certain streets and easements shown thereon, and such Subdivision Plat further establishes dedications, limitations, reservations, and restrictions applicable to the Properties. All dedications, limitations, restrictions and reservations shown on the Subdivision Plat are incorporated herein by reference and made a part of this Declaration for all purposes, as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant conveying any part of the Properties.

Section 2. Changes and Additions. Declarant reserves the right to make changes in and additions to the above easements for the purpose of most efficiently and economically installing the improvements.

Section 3. Title to Easements and Appurtenances Not Conveyed. Title to any Lot or portion thereof conveyed by Declarant by contract, deed, or other conveyance shall not be held or construed in any event to include the title to any roadways or any drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph or telephone way, or any pipes, lines, poles, or conduits on or in any utility facility or appurtenances thereto, constructed by or under Declarant or its agents through, along or upon any Lot or any part thereof to serve said Lot, or any other portion of the Properties, and the right to maintain, repair, sell, or lease such appurtenances to any municipality or other governmental agency or to any public service corporation or to any other party is hereby expressly reserved in Declarant.

Section 4. Installation and Maintenance. There is hereby situated an easement upon, across, over, and under all of the Properties for ingress and egress, installing, replacing, repairing, and maintaining all utilities, including, but not limited to, water, sewer, telephones, electricity, gas and appurtenances thereto. By virtue of this easement, it shall be expressly permissible for the utility companies and other entities supplying service to affix and maintain pipes, wires, conduits, service lines, or other utility facilities or appurtenances thereto, on, above, across and under the Properties. Notwithstanding anything to the contrary contained in this paragraph, no sewer, electrical lines, water lines, or other utilities or appurtenances thereto may be installed or relocated on the Properties until approved by Declarant or the Association's Board of Directors. The utility companies furnishing service shall have the right to remove all trees situated within the utility easements shown on the Subdivision Plat, and to trim overhanging trees and shrubs located on portions of the Properties abutting such easements.

Section 5. Emergency and Service Vehicles. An easement is hereby granted to all police, fire protection, ambulance and other emergency vehicles to enter upon the Properties in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees, and management personnel to enter the Properties to render any service.

Section 6. Access Easements. There are hereby created the following perpetual easements of access upon, over and across:

(a) that portion of Reserve 2 that abuts the north line of Lots 39, 40 and 41, Block 5, for purposes of vehicular and pedestrian ingress to and egress from such Lots, that portion of Reserve 2 which is free from such easement as herein created, and Deepwater Drive, such easement extending the full width of Reserve 2 between the intersection of Reserve 2 with the easterly line of Deepwater Drive and the point where Reserve 2 would be traversed by the easterly line of Lot 39, Block 5, if such line was extended in a northerly direction across Reserve 2; and

(b) that portion of Reserve 3 that abuts the north line of Lots 45, 46 and 47 in Block 5, for purposes of vehicular and pedestrian ingress to and egress from such Lots, that portion of Reserve 3 which is free from such easement as herein created, and Deepwater Drive, such easement extending the full width of Reserve 3 between the intersection of Reserve 3 with the westerly line of Deepwater Drive and the point where Reserve 3 would be traversed by the westerly line of Lot 47, Block 5, if such line was extended in a northerly direction across Reserve 3;

which such easements shall be for the exclusive benefit of the Owners of Lots 39, 40, 41, Block 5, Lots 45, 46 and 47, Block 5, and those portions of Reserves 2 and 3, Block 5 which are not subject to such easements, respectively, their families, guests and invitees.

Declarant shall have and hereby reserves the right to pave or otherwise improve all or any part of the portions of Reserves 2 and 3 subject to the easements created above, in furtherance of the purpose of such easements. The Association shall thereafter maintain the paving and other improvements on such easements as a common expense of all of the Members.

Section 7. Greenbelt Easement. There is hereby created upon, over and across the rear fifteen (15) feet of Lots Twelve (12) through Sixty-three (63), Block Five (5) and Reserves 2 and 3, Block 5, an easement for pedestrian passage, and for the purpose of establishing and maintaining a "green belt" along and adjacent to the shoreline of Lake Conroe, which is and shall be for the mutual and common benefit of all Owners of Lots Twelve (12) through Sixty-three (63), and Reserves 2 and 3, Block Five (5), or portions thereof, their families and guests. No other Owners in Harbor Point Subdivision shall be entitled to exercise any rights or privileges in connection with such easement, or to use or utilize the property subject thereto for any purpose; however, the Association shall have and is hereby granted the right, from time to time, to make, publish and enforce such reasonable rules and regulations governing the use and enjoyment of the property subject to such easement, or any part thereof, as the Association shall deem appropriate, all of which rules and regulations shall be binding upon, complied with and observed by each such Owner. These rules and regulations may include provisions to govern the control and the use of such easement by the guests and invitees of the Owners entitled to use such easement, including, without limitation, the number of guests who may exercise such easement rights and privileges at the same time. For the purposes of this Section, the rear line of each such Lot

shall be deemed to be the short line(s) intersecting the long side Lot lines and lying, opposite or most nearly opposite the Lot line which abuts a street and/or an access easement created in Section 6 above. Such easement shall be maintained by the Owners of the abutting Lots.

Section 8. Bulkheading. The concrete bulkheading situated adjacent to those portions of the Properties abutting Lake Conroe, while not situated on the Common Properties, shall be conveyed to the Association at the same time the Common Properties are conveyed to the Association as provided in Article IV, Section 7, and shall be maintained, repaired and replaced to the extent necessary from time to time as a common expense of the Members of the Association. A perpetual easement is hereby created over and across the rear ten (10) feet of those Lots in the Properties which abut Lake Conroe, for any encroachments onto such Lots by such bulkheading which are caused or created by unintentional error in construction, settling, shifting of soil, protrusions or overhangs, and a temporary easement over and across the rear ten (10) feet of such Lots for ingress and egress during and in connection with the maintenance, repair and replacement of such bulkheading or portions thereof.

Section 9. Boatpiers. There is hereby created the sole and exclusive right in Declarant and his successors or express assigns to cause to be constructed adjacent to the Bulkheading described in Section 8 of this Article II, except the portion of the Bulkheading situated adjacent to Lots Twenty-seven (27) through Thirty-Two (32), inclusive, Block Five (5), any number of boatpiers which, if constructed, shall be for the sole use and benefit of the Owners described and set forth in (a) and (b) immediately below:

(a) All Owners of Lots Twelve (12) through Twenty-Six (26) and Thirty-Three (33) through Sixty-three (63), Block Five (5), and Reserves Two (2) and Three (3), Block Five (5), or portions thereof, their families and guests shall be entitled to the sole and exclusive use of the Boatpiers, if constructed, situated adjacent to the Bulkheading that is adjacent to said Lots and Reserves, to the total exclusion of all other Owners; and

(b) All Owners of Reserve Six (6), Block Five (5) or portions thereof, their families, guests and designees shall be entitled to the sole and exclusive use of the Boatpiers, if constructed, situated adjacent to the Bulkheading that is adjacent to said Reserve, to the total exclusion of all other Owners.

No Owner, other than Declarant, his successors or express assigns, and the Owners of Lots Twenty-Seven (27) through Thirty-Two (32), inclusive, in Block Five (5) as set forth in the last paragraph of this Section 9, shall be entitled to construct, or cause to be constructed any Boatpiers that are in any manner attached to, or supported by, the Bulkhead, or any portion of the Properties covered by this Declaration and all Supplemental Declarations. If constructed, said Boatpiers shall be available for use only during daytime hours, as determined by official sunrise and sunset times as published by the United States Weather Bureau. There will be no overnight parking of boats at such Boatpiers. Declarant shall have the right to assign its right, title and interest in the Boatpiers, if constructed, to the Association at any time, but in any event, such right, title and interest shall be so assigned concurrently with the conveyance to the Association of the Common Properties as contemplated by Article IV, Section 7 and such Boatpiers shall be maintained, repaired and replaced to the extent necessary from time to time by the Association at the expense of the Owners entitled to use such Boatpiers as described in Paragraphs (a) and (b) of this Section above, as provided in Article VI hereof. The Declarant, prior to such assignment, and the Association upon assignment to it of Declarant's rights relative to such Boatpiers, shall have and are hereby granted the right, from time to time, to make, publish and enforce such reasonable rules and regulations governing the use and enjoyment of the Boatpiers, or any part thereof, as Declarant or the Association shall deem appropriate, all of which rules and regulations shall be binding upon,

complied with and observed by each such Owner. These rules and regulations may include provisions to govern and control the use of such Boatpiers by the guests and invitees of such Owners, including, without limitation, the number of guests who may exercise such rights and privileges at the same time.

The rights, restrictions and obligations created by this Section 9 shall not be applicable to the Owners of Lots Twenty-Seven (27) through Thirty-Two (32), inclusive, Block Five (5), such Lots and Lot Owners being hereby exempted from any and all provisions of this Declaration which refer and relate to Boatpiers, or Boatpier Surcharge, except that (i) these Lot Owners are restricted and prohibited from the use of any Boatpiers which may be built by Declarant in accordance with the terms and conditions hereof; (ii) these Lot Owners, as a group, shall be entitled to cause to be constructed one (1) and only one (1) Boatpier adjacent to the Bulkheading adjacent to the herein described Lots, and prior to the commencement of construction thereof, the plans and specifications shall be submitted to and approved by the Architectural Control Committee, which such approval shall not be unreasonably withheld and, in any event, if such approval is not granted within thirty (30) days of the submission of such plans, such approval shall be deemed granted; and (iii) in the event such Boatpier is constructed, the maintenance and repair thereof shall be the sole and exclusive responsibility of these Lot Owners. No other owner shall be entitled to use such Boatpier which may be constructed in accordance with this Paragraph, other than those described herein.

ARTICLE III

Property Subject to This Declaration

Section 1. Description. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is that certain 33.7 acre tract of land out of the William Atkins Survey, Abstract 3, in Montgomery County, Texas, which has heretofore been platted into that certain residential subdivision known as Harbor Point, and according to the Subdivision Plat, or any subsequently recorded replat thereof, except Reserve 7 as shown on the Subdivision Plat, which Reserve 7 shall not be subject to or burdened by any provision of this Declaration.

Section 2. Other Owners. All of the Properties currently are owned by Declarant, with the exception of the following Lots:

- (a) Lots One (1) through Fifteen (15) and Lots Seventeen (17) and Eighteen (18), in Block One (1), which are owned by Property Investments, Ltd., a Texas general partnership, with lien thereon in favor of Southern State Bank, of South Houston, Harris County, Texas;
- (b) Lot Twenty-seven (27), Block Five (5), which is owned by Ronald E. Buford, Trustee, of Conroe, Montgomery County, Texas, with lien thereon in favor of Farmer's State Bank of Cleveland, Texas;
- (c) Lot Twenty-eight (28), Block Five (5), which is owned by David W. Crews, Trustee, of Conroe, Texas, with lien thereon in favor of Allied Conroe Bank, Conroe, Texas;
- (d) Lot Twenty-nine (29), Block Five (5), which is owned by Lloyd Frey, of Harris County, Texas, with lien thereon in favor of Farmer's State Bank of Cleveland, Texas;
- (e) Lots Thirty (30), Thirty-one (31) and Thirty-two (32), Block Five (5), which are owned by Conroe Area Investments, Ltd., a partnership, of Conroe, Montgomery County, Texas, with lien thereon in favor of Farmer's State Bank of Cleveland, Texas.

Section 3. Mineral Exception. There is hereby excepted from the Properties, and Declarant will hereafter except from all its sales and conveyances of the Properties, or any part thereof, including the Lots and Common Properties, all oil, gas, and other minerals in, on, and under the Properties, but Declarant hereby waives, and will waive in each such conveyance, its right to use

the surface of such land for exploration for or development of oil, gas, and other minerals.

Section 4. Additions to Existing Property. Additional lands may become subject to the scheme of this Declaration in the following manner:

(a) Additions by Declarant. The Declarant, its successors and assigns, shall have the right to bring within the scheme of this Declaration additional properties in future stages of the development, in the sole discretion of Declarant, its successors or assigns. Any additions authorized under this and the succeeding subsection, shall be made by filing of record a Supplemental Declaration of Covenants and Restrictions with respect to the additional property which shall extend the scheme of the covenants and restrictions of this Declaration to such property. Such Supplemental Declaration may contain such complementary additions to and/or modification of the covenants and restrictions contained in this Declaration as may be applicable to the additional lands.

(b) Other Additions. Upon the approval of the Board of Directors of the Association, in its sole discretion, the owner of any property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association may file of record a Supplemental Declaration of Covenants and Restrictions in the manner specified in subsection (a) above.

(c) Mergers. Upon a merger or consolidation of the Association with another association, the Association's properties, rights, and obligations may be transferred to another surviving or consolidated association or, alternatively, the properties, rights, and obligations of another association may be added to the properties, rights, and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants and restrictions established by this Declaration and all Supplemental Declarations, together with the covenants and restrictions applicable to the properties of the other association as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration or any Supplemental Declaration.

ARTICLE IV

The Association

Section 1. Organization. The Declarant has caused the Association to be organized and formed as a non-profit corporation under the laws of the State of Texas.

Section 2. Purpose. The purpose of the Association in general is to provide for and promote the health, safety, and welfare of the Members, to collect the annual maintenance charges, and to administer the Maintenance Fund, to provide for the maintenance, repair, preservation, upkeep, and protection for the Common Properties and Facilities in Harbor Point Subdivision and such other purposes as are stated in the Articles of Incorporation consistent with the provisions of this Declaration and all Supplemental Declarations.

Section 3. Directors. The Association shall act through a five (5) member Board of Directors, which shall manage the affairs of the Association. The initial Directors of the Association have been selected by Declarant. Each initial Director shall serve for an initial term of five (5) years and, thereafter, until his successor is duly elected and qualified. After the expiration of the term of the initial Directors, the Members shall elect a Board of Directors as provided for in the Bylaws. Any vacancy, from whatever cause, occurring in the board of Directors during the initial

five (5) year term shall be filled by appointment made by the remaining Director or Directors. The person appointed by the remaining Director or Directors to fill such vacancy shall serve for the remainder of the initial five (5) year term until his successor is duly elected and qualified. The Directors shall have the power to select one or more advisory directors from the residents of Harbor Point Subdivision to serve for such periods of time as the Board of Directors shall deem appropriate, for the purpose of providing advice and counsel to the Board of Directors, provided that such advisory directors shall have no right to act on behalf of the Association.

Section 4. Members. Each Owner, whether one or more persons or entities, of a Lot (or portion thereof), shall, upon and by virtue of becoming such Owner, automatically become a Member of the Association and shall remain a Member thereof until his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. Membership in the Association shall be appurtenant to and shall automatically follow the legal ownership of each Lot (or portion thereof) and may not be separated from such ownership. Whenever the legal ownership of any Lot (or portion thereof) passes from one person to another, by whatever means, it shall not be necessary that any instrument provide for transfer of membership in the Association, and no certificate of membership will be issued.

Section 5. Classes of Membership. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all the Members of the Association, with the exception of the Declarant until such time as specified in the Class B description immediately below, and the voting rights of such Members are as set in Section 6 of this Article.

Class B. The Class B Member shall be the Declarant, and the voting rights of the Class B Member are as set forth in Section 6 of this Article; provided that the Class B membership shall cease and become converted to Class A membership on the happening of whichever of the following events occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) on January 1, 1982.

From and after the happening of whichever of these events occurs earlier, the Class B Member shall be deemed to be a Class A Member and thereafter shall have the voting rights specified for Class A Members in Section 6 of this Article.

Section 6. Voting Rights. The voting rights of the Class A and Class B Members shall be as follows:

(a) A Class A Member shall be entitled to one (1) vote for each whole Lot owned. For each whole Lot owned by more than one Class A Member, the voting rights for each such Lot so owned shall be:

- (i) If two (2) Class A Members own said Lot, each Member shall be entitled to one-half (1/2) vote, regardless of the extent his ownership interest in such Lot.

(ii) If more than two (2) Class A Members own said Lot, the one (1) vote for such Lot shall be exercised as the majority of such Members determine, regardless of the extent of their respective interests in such Lot.

(b) In the event a Class A Member, or more than one Class A Member, owns any portion of a Lot, the other portion of which is owned by the Class B Member, such Class A Member or Members shall be entitled to one (1) vote for such portion of such Lot not owned by the Class B Member. In such event, such one (1) vote for such Class A Member or Members shall be exercised in accordance with paragraph (a) of this Section 6.

(c) The Class B Member shall be entitled to four (4) votes for each Lot, or for any portion of a Lot, owned by the Class B Member.

Section 7. Title to Common Properties. The Declarant may retain the legal title to the Common Properties and Common Facilities in Harbor Point Subdivision until such time as it has completed improvements thereon and until such time as, in the sole opinion of Declarant, the Association is able to operate and maintain the same. Until title to such Common Properties and Facilities has been conveyed to the Association by Declarant, Declarant shall be entitled to exercise all rights and privileges relating to such Common Properties and Facilities granted to the Association in this Declaration and all Supplemental Declarations.

ARTICLE V

Property Rights in the Common Properties and Common Facilities

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 2 of this Article V, every Member shall have a common right and easement of enjoyment in and to the Common Properties and Common Facilities in Harbor Point Subdivision, and such right and easement shall be appurtenant to and shall pass with the title to each Lot (or portion thereof) in Harbor Point Subdivision.

Section 2. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) the right of the Association in its discretion, to charge reasonable admission and other fees for the use of the recreational facilities which may be located on all Common Properties in Harbor Point Subdivision, and to make, publish, and enforce reasonable rules and regulations governing the use and enjoyment of such Common Properties and Facilities or any part thereof, all of which reasonable rules and regulations shall be binding upon, complied with, and observed by each Member. These rules and regulations may include provisions to govern and control the use of such Common Properties and Facilities by guests, invitees or tenants of the Members, including, without limitation, the number of guests, invitees or tenants who may use such Common Properties and Facilities or any part thereof at the same time; and

(b) The right of the Association to grant or dedicate easements in, on, under, or above such Common Properties or any part thereof to any public or governmental agency or authority or to any utility company for any service to Harbor Point Subdivision or any part thereof; and

(c) the right of the Association to transfer title to any storm sewer line, sanitary sewer line, water line, or any other utility facility or equipment situated in any part of such Common Properties and owned by the Association to any public or political authority or agency or to any utility company rendering or to render service to Harbor Point Subdivision or any part thereof; and

(d) the right of the Association to convey or dedicate such portions of such Common Properties as its Board of Directors may deem appropriate to governmental authorities, political subdivisions or other persons or entities for use as the location of schools, churches, and hospitals, or for other similar purposes related to the health, safety and welfare of the Members; and

(e) the right of the Association to enter management and/or operating contracts or agreements relative to the maintenance and operation of such Common Properties and Facilities in such instances and on such terms as its Board of Directors may deem appropriate; the right of the Association to operate recreational facilities and related concessions located on such Common Properties; the right of the Association to enter lease agreements or concession agreements granting leasehold, concession, or other operating rights relative to recreational facilities located on such Common Properties in such instances and on such terms as its Board of Directors may deem appropriate; and

(f) the right of the Association to suspend the voting rights of a Member and his right to use any recreational facility located on such Common Properties during the period he is in default in excess of thirty (30) days in the payment of any maintenance charge assessment against his Lot (or portion thereof); and to suspend such rights for a period not to exceed sixty (60) days for any infractions of its published rules and regulations; the aforesaid rights of the Association shall not be exclusive, but shall be cumulative of and in addition to all other rights and remedies which the Association may have in this Declaration and all Supplemental Declarations or in its Bylaws or at law or in equity on account of any such default or infraction; and

(g) the rights and easements existing, herein created or hereafter created in favor of others, as provided for in Article II hereof, and in all Supplemental Declarations; and

(h) the restrictions as to use of the Common Properties provided for in Article IX hereof.

Section 3. Delegation of Use. Any Member may delegate his right of use and enjoyment of the Common Properties and Facilities in Harbor Point Subdivision, together with all easement rights granted to Members in this Declaration and all Supplemental Declarations, to the members of his family, his tenants, or contract

purchasers who reside on his Lot (or portion thereof). The term "Member" is further defined to include and refer to the executors, personal representatives and administrators of any Member, and all other persons, firms, or corporations acquiring or succeeding to the title of the Member by sale, grant, will, foreclosure, execution, or by any legal process, or by operation of law, or in any other legal manner.

Section 4. Multiple-Family Residential Structures' Useage. Any Member shall have the right to grant, from time to time, to the occupier of a Residential Unit owned by such Member, the members of his family, his guests and invitees, the rights and easements of enjoyment in and to the Common Properties and Common Facilities, for so long as such person is in active occupancy of the Residential Unit. In such event, such occupier shall be subject to the provisions and conditions set forth in Section 2 of this Article V, as if he were a Member. This right shall exist only during the times within which (a) the Member is current in his maintenance obligations for the Building Site on which such Residential Unit is located, as set forth in Article VI, Section 2, Paragraph (c), below; and (b) his rights to vote and use the recreational facilities described herein have not been suspended by the Association in accordance with the provisions set forth in Section 2, Paragraph (f) of this Article V for failure to pay such maintenance assessment. If, for any reason, the Owner fails to pay such maintenance assessment within thirty (30) days of its due date, the occupier of such Residential Unit may remit such assessment directly to the Association, and thereby retain his rights and privileges hereunder. In the event that action as prescribed in Article VI, Section 10 is taken by the Association against the Member, the rights described herein of the occupier shall cease and be of no further force and effect.

ARTICLE VI

Annual Assessments

Section 1. The Maintenance Fund. All funds collected by the Association from the regular annual maintenance charges imposed on the Lots and Reserves in Harbor Point Subdivision by this Declaration and all Supplemental Declarations, shall constitute and be known as the "Maintenance Fund." The Maintenance Fund shall be held, used, and expended by the Association for the following purposes, to-wit: to promote the health, safety, recreation, and welfare of the Members and, in particular, for the installation, construction, erection, and relocation of improvements related to the enhancement and beautification of the Common Properties and Facilities in Harbor Point Subdivision, and any other areas provided by this Declaration and all Supplemental Declarations to be developed or maintained by the Association, including, without limitation, shrubbery, trees, walkways and street lights, and for the repair, maintenance, and replacement of properties, services, and facilities (including, without limitation, access easements over portions of certain Lots and the Common Properties for the benefit of some of the Lots and Reserves and the Bulkheading situated adjacent to those portions of the Properties abutting Lake Conroe) and for such other purposes as shall relate to the use and enjoyment of Harbor Point Subdivision by the Members. Boatpiers, if constructed, shall be maintained by the Association from the Maintenance Funds created by maintenance assessments, as set forth in Section 2 of this Article VI, applicable to and derived solely from those Lots and Reserves which are entitled by Article II, Section 9 to the use and benefit of such boatpiers (and the amount of such assessment may be increased as contemplated in Section 5 below for such purposes), and shall not be a common expense of all Members

of the Association. The Association may, in its sole discretion, give one or more of the aforesaid purposes preference over other purposes, and it is agreed that all expenses incurred and expenditures and decisions made by the Association in good faith shall be binding and conclusive on all Members. In the event Declarant shall operate any Common Facility in Harbor Point Subdivision, or such Common Facility shall be operated by others on behalf of Declarant under agreement authorized hereby, and the actual proceeds realized by Declarant from such operation shall be less than the actual costs incurred by Declarant in connection with operating and maintaining any such Common Facility, Declarant shall be entitled to be reimbursed from the Maintenance Fund for all costs actually incurred by Declarant in maintaining and operating such Common Facility in excess of the actual proceeds realized by Declarant from such operation, as such costs are incurred, to the extent that the balance of the Maintenance Fund from time to time existing exceeds the amount then designated by the Board of Directors of the Association in good faith to be the minimum amount necessary to accomplish the maintenance functions of the Association. Further, Declarant shall be entitled to be reimbursed from the Maintenance Fund for all ad valorem taxes and other assessments in the nature of property taxes allocable to the Common Properties and Facilities in Harbor Point Subdivision and accrued subsequent to the recordation of the Subdivision Plat, and prior to the date on which title to such Common Properties and Facilities is conveyed to the Association by Declarant, which have been actually paid by Declarant.

Section 2. Covenant for Assessments. Each and every Lot, or portion thereof, (except Lots owned by Declarant or builders, as provided for in the following section) is hereby severally subjected to and impressed with the following charges and assessments which shall run with the land and shall be in the amount for each Lot, or portion thereof, as hereinafter set forth:

(a) As to all Lots in Blocks One (1), Two (2), Three (3), and Four (4), and Lots One (1) through Eleven (11) in Block Five (5), a regular annual maintenance charge or assessment in the amount of Nine and One-half (9-1/2) mills per annum per square foot of such Lots, except as herein provided in this Section 2, paragraph (d), below.

(b) As to Lots Twelve (12) through Sixty-three (63) in Block Five (5), and those parts of Reserves Two (2) and Three (3) which are not subject to those certain easements created upon and across such Reserves in Article II, Section 6 hereof, a regular annual maintenance charge or assessment in the amount of Eighteen (18) mills per annum per square foot of such Lots and Reserves.

(c) As to Reserves Five (5) and Six (6): a regular annual maintenance charge or assessment in the amount of One Hundred Eighty and No/100 Dollars (\$180.00) for each acre, and a proportionate amount for each portion of an acre, contained in such Reserves; provided, however, if either such Reserve is at any time or from time to time owned by two or more different Owners, then in such event, and for so long as the entire Reserve shall not be owned by one Owner, each Owner of a portion of such Reserve, without reference to the size of the portion owned, shall be assessed a regular annual maintenance charge in an amount equal to One Hundred Twenty and No/100 Dollars (\$120.00); and further provided if all or any portion of either of

such Reserves becomes a Building Site or Building Sites, a regular annual maintenance charge or assessment in an amount of Eighteen (18) mills per annum per square foot of such Building Site(s) shall be assessed for each such Building Site.

(d) As to all Lots described in paragraph (a) of this Section, in the event any of such Lots, is used for the building of multiple-family Residential Structures, each such Lot shall be charged or assessed an annual maintenance fee in twice the amount of the regular annual maintenance fee as set forth in paragraph (a) of this Section 2;

all subject to the increase and decrease and payable as provided in Section 5 of this Article VI below (for the purposes hereof, the Lots affected by the charge provided in paragraph (a) above are sometimes referred to hereinafter as "Type I Lot," the Lots affected by the charge provided in paragraph (b) above are sometimes referred to hereinafter as "Type II Lots," and the Reserves affected by the charge provided in paragraph (c) above are sometimes referred to hereinafter as "Type III Lots.")

Each Owner of a Lot (or portion thereof), subject to assessment as above provided, by his claim or assertion of ownership or by accepting a deed to any such Lot, or portion thereof, whether or not it shall be so expressed in such deed, is hereby conclusively deemed to covenant and agree, as a covenant running with the land, to pay to the Association, its successors or assigns, each and all of the charges and assessments against the Lot, or portion thereof, assessed against him by virtue of his ownership, as the same shall become due and payable without demand. The charges and assessments herein provided for shall be a charge and a continuing lien upon each Lot, or portion thereof,, together with all improvements thereon, as hereinafter more particularly stated. Each assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of the Lot, or portion thereof, at the time the obligation to pay such assessment accrued, but no Member shall be personally liable for the payment of any assessment made or becoming due and payable after his ownership ceases. No Member shall be exempt or excused from paying any such charge or assessment by waiver of the use or enjoyment of the Common Properties or Facilities in Harbor Point Subdivision, or any part thereof, or by abandonment of his Lot, or portion thereof, or his interest therein.

Section 3. Lots Owned by Declarant or Builders. No Lot, or any portion thereof, owned by Declarant or a builder shall be subject to any regular annual maintenance charge while it is owned by Declarant or a builder, unless and until such Lot, or portion thereof, becomes a Building Site. It shall be the duty of each builder to notify the Association of the time such Lot, or portion thereof, becomes a Building Site. The term "builder" for the purposes of this Declaration is defined as any person, firm, corporation, or other entity who is engaged in the business of building residential structures for sale or rental purposes, and not for his or its personal use or occupancy. Whenever a Lot, or portion thereof, owned by Declarant or a builder becomes subject to assessment, as provided for in this Section, such Lot, or portion thereof, then shall be treated and assessed as any other Lot, or portion thereof, which is subject to assessment, as further set forth and described in Section 4 of this Article VI.

Section 4. Lots Owned by Persons Other than Declarant or Builders. The maintenance charges provided for herein, shall be assessed against each Owner, including Declarant or builders

if so determined in accordance with Section 3 of this Article VI, of a Lot, or portion thereof, in accordance with the following: Each Lot shall be subjected to the maintenance assessments provided for herein, as determined by the lot and block number of such Lot. If a Lot is partitioned so that separate Owners each own a portion thereof, each portion so separately owned shall bear its maintenance assessment determined as specified herein. Each Owner of such portion of a Lot shall be responsible for the payment of its maintenance assessment in accordance with the provisions hereof.

Section 5. The Annual Maintenance Charge. The annual assessments provided for herein shall commence on the date (which shall be the first day of a month) fixed by the Board of Directors to be the date of commencement. The first annual assessment shall be made for the balance of the calendar year in which it is made and shall be payable on the day fixed for commencement, or in equal monthly installments over the balance of the year, at the election of the Association. The assessments for each calendar year after the first year shall be due and payable to the Association in advance on January 1st each year, or in twelve (12) equal monthly installments over such year, at the election of the Association. Provided, however, that, upon the purchase of his Lot, or a portion thereof, (as evidenced by the date of his term Contract of Sale or Deed, or his occupancy, whichever is earlier), each Member shall be obligated to pay to the Association a prorata part of the regular annual maintenance charge, which shall bear the same ratio to the full annual amount as the number of full calendar months remaining in the year of purchase bears to twelve (12), and which shall be payable in full upon such purchase or in equal monthly installments over the balance of the year of purchase, as the Association may elect.

The Board of Directors of the Association may decrease or increase the amount of the regular annual maintenance charge or assessment provided for herein at any time and from time to time by the adoption of a resolution for such purpose, but no resolution increasing the annual maintenance charge assessment shall become effective prior to the expiration of ninety (90) days from date of its adoption, and the Owner of each Lot, or a portion thereof, subject to such assessment, shall, within thirty (30) days from such effective date, pay to the Association the proportionate part of such increase for the balance of the year in which such resolution is adopted; provided, however, that the Board of Directors may fix the amount of the regular annual maintenance charge or assessment in amounts not to exceed Fourteen (14) mills per annum per square foot for Type I Lots, Twenty-four (24) mills per annum per square foot for Type II Lots, or Three Hundred Sixty and No/100 Dollars (\$360.00) per year per acre, or One Hundred Forty and No/100 Dollars (\$140.00) per year per Owner, or Twenty-four (24) mills per annum per square foot, whichever is appropriate, for Type III Lots, and in ten percent (10%) increments thereof per annum thereafter, without securing ratification by the Members. No resolution of the Board of Directors fixing the amount of the regular annual maintenance charge or assessment in excess of such assessments set forth in the immediately preceding sentence, or in excess of the respective annual maintenance charges or assessments for such Lots last ratified by the Members of the Association in accordance with the provisions of this paragraph, whichever is greater, shall become effective unless and until such resolution is ratified either (i) by the written assent of the Members of the Association who in the aggregate then own at least fifty-one percent (51%) of the Lots, if no meeting of the membership is held for ratification, or (ii) by the assent of fifty-one percent (51%) of the votes of the Members of the Association who

are present and voting in person or by proxy at a special meeting of the membership of the Association called for this purpose and at which a quorum is present. The written assent or the vote of the Members must be given prior to the effective date of the resolution of the Board of Directors. No increase in the annual maintenance charge or assessment shall take effect retroactively.

The Board of Directors may, in addition to the increases in the regular annual maintenance assessments provided for above, by resolution fix an additional amount of annual maintenance assessment for Lots entitled to the use and benefits of the Boatpiers as set forth in Article II, Section 9 hereof, in such amounts as it deems necessary in order to provide and maintain such Boatpiers. This additional maintenance assessment may sometimes hereinafter be referred to as "the Boatpier Surcharge."

If any resolution of the Board of Directors which requires ratification by the assent of the Members of the Association as above provided shall fail to receive such assent, then the amount of the regular annual maintenance charge or assessment last in effect shall continue in effect until duly changed in accordance with the above provisions. The Board of Directors may decrease the amount of the annual maintenance charge or assessment without ratification by or assent of the Members of the Association.

Section 6. Quorum for any Action Authorized Under Section 5. The Quorum required for any action authorized by Section 5 hereof shall be as follows:

At the first meeting called, as provided in Section 5 hereof, the presence at the meeting of Members, or of proxies, entitled to cast sixty percent (60%) of all the votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called and the required quorum at any such subsequent meeting shall be one-half (1/2) the required quorum at the preceding meeting, provided that such reduced quorum requirement shall not be applicable to any such subsequent meeting held more than sixty (60) days following the preceding meeting.

Section 7. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall thereupon be sent to every Owner subject thereto. The Association shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Liens to Secure Assessments. The regular annual maintenance charges or assessments, as hereinabove provided for, shall constitute and be secured by a separate, valid and subsisting lien, hereby created and fixed, and which shall exist upon and against each Lot, or portion thereof, and all improvements thereon, for the benefit of the Association and all Members. The Boatpier Surcharge shall constitute and be secured by a separate, valid and

subsisting lien, hereby created and fixed, and shall exist upon and against each Lot to which it is applicable, and all improvements thereon, for the benefit of the Association and all Members who are Owners of such Lots, or portions thereof. Subject to the condition that the Association be made a party to any Court proceeding to enforce any lien hereinafter deemed to be superior, the liens hereby created shall be subordinate and inferior to

(a) all liens for taxes or special assessments levied by the City, County, and State governments, or any political subdivision or special district thereof, and

(b) all liens securing amounts due or to become due under any term Contract of Sale dated, or any mortgage, vendor's lien, or deed of trust filed for records, prior to the date payment of any such charges or assessments become due and payable, and

(c) all liens, including, but not limited to, vendor's liens, deeds of trust, and other security instruments which secure any loan made by any lender to an Owner for any part of the purchase price of any Lot or portion thereof when the same is purchased from a builder or Owner, or for any part of the cost of constructing, repairing, adding to, or remodeling the residence and appurtenances situated on any Lot or portion thereof, or for any part of the cost of developing, constructing, repairing, adding to or remodeling any residential or commercial structure situated on Reserves 5 or 6.

Any foreclosure of any such superior lien under the power of sale of any mortgage, deed of trust, or other security instrument, or through Court proceedings in which the Association has been made a party, shall cut off and extinguish the liens securing maintenance charges or assessments which became due and payable prior to such foreclosure date, but no such foreclosure shall free any Lot or portion thereof from the liens securing assessments thereafter becoming due and payable, nor shall the liability of any Member personally obligated to pay maintenance charges or assessments which became due prior to such foreclosure, be extinguished by any foreclosure.

Section 9. Effect of Non-Payment of Assessment. If any annual charge or assessment is not paid within thirty (30) days from the due date thereof, the same shall bear interest from the due date until paid at the highest interest rate allowed under the laws of the State of Texas, and, if placed in the hands of an attorney for collection or if suit is brought thereon or if collected through probate or other judicial proceedings, there shall be paid to the Association an additional reasonable amount, but not less than ten percent (10%) of the amount owing, as attorney's fees. The Association, as a common expense of all Members as to the regular maintenance assessment, or as a common expense of the Members who are subject to the Boatpier Surcharge, as applicable, may institute and maintain an action at law or in equity against any defaulting Member to enforce collection and/or for foreclosure of the liens against his Lot. All such actions may be instituted and brought in the name of the Association and may be maintained and prosecuted by the Association in a like manner as an action to foreclose the lien of a mortgage or deed of trust on real property.

Section 10. Collection and Enforcement. Each Member, by his assertion of title or claim of ownership or by his acceptance of a deed to a Lot or portion thereof, whether or not it shall be so recited in such deed, shall be conclusively deemed to have expressly vested in the Association, and in its officers and agents,

the right, power and authority to take all action which the Association shall deem proper for the collection of assessments and/or for the enforcement and foreclosure of the liens securing the same.

ARTICLE VII

Utility Standby Charge

Section 1. Standby Charge. Each Lot is hereby subject to a "standby charge" in the amount of SEVEN AND 50/100 DOLLARS (\$7.50) per month in favor of and payable to the Municipal Utility District in which such Lot is located; provided, however, if either Reserve 5 or Reserve 6 is at any time or from time to time during the period below specified owned by two or more different Owners, then in such event, and for so long as the entire Reserve shall not be owned by one Owner during such period, the "standby charge" imposed herein shall be paid by each Owner of a portion of such Reserve, without reference to the size of the portion owned, in the manner hereinafter provided, unless all or any portion of either such Reserve becomes a Building Site, in which event such "standby charge" shall be imposed on each such Residential Unit situated thereon. In the event any or all Lots is or are converted into Building Sites each Residential Unit situated thereon shall be subjected to and imposed with such "standby charge," without regard to Lot lines. Such charge shall be due and payable on the first day of each month for and during the period commencing on the first day of the month following the date upon which water and sewer service is available at the property line of such Lot, and ending on the first day of the month preceding the date upon which water and sewer use charges become due and payable to said District for water and sewer service supplied to such Lot or portion thereof, or Residential Unit. To secure the payment of such "standby charge" established hereby, a lien upon each Lot or portion thereof is hereby granted to said District. Such liens shall be enforceable through appropriate proceedings in law by such Beneficiary; provided, however, that each such lien shall be second, subordinate, and inferior to all liens, present and future, given, granted, and created by or at the instance or request of the Owner of any such Lot or portion thereof to secure the payment of monies advanced or to be advanced on account of the purchase price and/or the improvement of any such Lot or portion thereof; and further provided that, as a condition precedent to any proceeding to enforce such lien upon any Lot or portion thereof on which there is an outstanding, valid and subsisting first mortgage lien, said beneficiary shall give the holder of such first mortgage lien sixty (60) days' written notice of such proposed action. Such notice, which shall be sent to the nearest office of such first mortgage holder by prepaid U. S. Registered Mail, shall contain the statement of the delinquent standby charges upon which the proposed action is based. Upon the request of any such first mortgage lien holder, said beneficiary shall acknowledge in writing its obligation to give the foregoing notice to such holder with respect to the particular property covered by such first mortgage lien. The lien referred to herein shall be deemed to have been reserved in any deed to any Lot or any portion thereof, whether or not the same shall be specifically reserved.

ARTICLE VIII

Architectural Control Committee

Section 1. Approval of Plans. No building, structure, fence, wall, Boatpier, or other improvement shall be commenced, erected, or maintained upon the Properties or attached thereto, nor shall

any exterior addition to or change or alteration therein be made until the detailed plans and specifications therefor shall have been submitted to and approved in writing as to compliance with minimum structural and mechanical standards, location and situation on the Lot and/or portions thereof, and as to harmony of external design or location in relation to property lines, building lines, easements, grades, surrounding structures, walks, and topography (including the orientation of the front and rear of any such building with respect to the Lot lines), by the Board of Directors of the Association, acting as the Architectural Control Committee, or by an Architectural Control Committee composed of three (3) or more Members appointed by the Board (herein referred to as the "Architectural Control Committee," whether constituted or appointed by the Board of Directors). The submitted plans and specifications shall specify, in such form as the Architectural Control Committee may reasonably require, structural, mechanical, electrical, and plumbing detail and the nature, kind, shape, height, exterior color scheme, materials, and location of the proposed improvements or alterations thereof. In the event said Architectural Control Committee fails to approve or disapprove such plans and specifications within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and the provisions of this Section will be deemed to have been fully complied with; provided however, that the failure of the Architectural Control Committee to approve or disapprove such plans and specifications within such thirty (30) day period shall not operate to permit any structure to be commenced, executed, placed, constructed or maintained on any Lot in the Properties in a manner inconsistent with any provision of this Declaration. Without limitation of the powers herein granted, the Architectural Control Committee shall have the right to specify a limited number of acceptable exterior materials and/or finishes that may be used in the construction, alteration, or repair of any improvements on or adjacent to any Lot or portion thereof. It also shall have the right to specify requirements for each Lot as follows: minimum setbacks; the location, height, and extent of fences, walls, or other screening devices; and the orientation of the residential structure with respect to garage access and major entry and frontage. The Architectural Control Committee shall have full power and authority to reject any plans and specifications that do not comply with the restrictions herein imposed or meet its minimum construction requirements or architectural design requirements or that might not be compatible, in the sole discretion of the Architectural Control Committee, with the design or overall character and aesthetics of the Properties.

Section 2. Construction. Only new construction materials (except for used brick) shall be used and utilized in constructing any structure situated on a Lot. All exterior construction of the primary Residential Structure, garage, porches, and any other appurtenances or appendages of every kind and character on any Lot shall be completed not later than six (6) months, and all interior construction (including, but not limited to, all electrical outlets in place and functional, all plumbing fixtures installed and operational, all cabinet work completed, all interior wall, ceilings, and doors completed and covered by paint, wall-paper, paneling, or the like, and all floors covered by wood, carpet, tile, or other similar floor covering) shall be completed not later than nine (9) months, following the commencement of construction. All structures situated on any Lot shall have wood, composition or built-up roofs.

Section 3. Size of Residences. No Residential Structure shall be constructed on any Lot or portion thereof which shall contain less than the following applicable number of square feet of area within such Residential Structure:

<u>Lot/Block</u>	<u>Minimum Square Feet</u>
As to all Lots in Blocks One (1), Two (2), Three (3), Four (4), and Lots One (1) through Eleven (11) in Block Five (5):	Single-Family Residential Structure--900 square feet; Duplex Residential Structure--800 square feet in each Residential Unit;
As to Lots Twelve (12) through Sixty-three (63) in Block Five (5) and Reserves Two (2) and Three (3) in Block Five (5):	800 square feet.

The applicable minimum areas of such Residential Structures shall be based on outside wall measurements, but shall be exclusive of the area of attached porches, garages, servant's quarters, or other exterior appurtenances or appendages.

Section 4. Building Lines. No structure or fence may be erected on any portion of the Properties between the building lines shown on the Subdivision Plat and the street. As to any and all Lots in Blocks One (1), Two (2), Three (3) and Four (4) and Lots One (1) through Eleven (11), Block Five (5), no structure may be erected on any such Lot or portion thereof, nearer than three (3) feet to any interior line of the Building Site thereof.

Section 5. Size and Configuration of Building Sites. Any Building Site located on any Lot in Blocks One (1), Two (2), Three (3), and Four (4), and Lots One (1) through Eleven (11), Block Five (5) shall be at least thirty-five (35) feet in width for any single family Residential Structure, and any multiple-family Residential Structure located within such Lots shall have a Building Site corresponding to one whole Lot as shown on the Subdivision Plat, and the depth of each shall at all times coincide with the depth of the Lot or Lots upon which it is located, and such Building Site shall be so situated so that the Building Site lines shall be in all instances parallel (or as nearby so as is practicable) to the Lot or Lots lines upon which it is located. Any Building Site located on any of Lots Twelve (12) through Sixty-three (63) in Block Five (5), or Reserves Two (2) or Three (3), Block Five (5), or any portion thereof, shall be at least one whole Lot as shown on the Subdivision Plat, except as to Reserves 2 and 3 and Lots 39 through 47 in Block 5, and shall be situated so that the Building Site lines shall be in all instances parallel (or as nearby as is practicable) to the Lot or Lots lines upon which it is located. As to Reserves 2 and 3 and Lots 39 through 47 in Block 5, the Building Sites thereon shall be at least twenty (20) feet in width. The side lines of such Building Sites need not be parallel to the Lot lines, but the orientation of the Building Site lines to the Lot lines and the Residential Structure thereon must be expressly approved in writing by the Architectural Control Committee and such Residential Structure must contain not less than the minimum number of square feet specified in Section 3. above.

Section 6. Exempt Property. Notwithstanding any provision herein to the contrary, the provisions of Sections 2, 3 and 4 of this Article VIII shall not apply to Reserves 5 and 6, and the provisions of the second sentence of Section 4 of this Article VIII shall not apply to Lots 12 through 63 in Block 5, or to Reserves 2 and 3 of Block 5.

Building and Use Restrictions

Section 1. Residence Buildings and Garages. No building or other structure shall be built, placed, constructed, reconstructed, or altered on any Lot other than a residence, garage (not to include carports) and appurtenances, and no structure shall be occupied or used until the exterior construction thereof is completed. Except as to Lots Twenty-Seven (27) through Thirty-Two (32) inclusive, Block Five (5), no garage shall ever be changed, altered, reconstructed, or otherwise converted for any purpose inconsistent with the garaging of automobiles. Each garage shall have doors which at all times shall be in workable condition. All Owners, their families, tenants, and contract purchasers shall, to the greatest extent practicable, utilize such garages for the garaging of vehicles belonging to them. There shall be not less than two (2) off-street parking spaces designated and established by the Owner of a Building Site for each Residential Unit contained therein, including the space(s) contained in each garage which is a part of such Residential Unit, to be utilized to the extent practicable for the parking of motor vehicles belonging to such Owners, their families, tenants, and contract purchasers.

Section 2. Single Family Residential Use. Each Lot (including land and improvements) shall be used and occupied for Single Family Residential purposes only, except as set forth and provided for in Sections 16, 17 and 18 of this Article IX. No Owner or other occupant shall use or occupy his Lot, or permit the same or any part thereof to be used or occupied, for any purpose other than as a private family residence for the Owner and/or his tenant and their families. No Lot shall be used or occupied for any business, commercial, trade, or professional purpose either apart from or in connection with the use thereof as a private residence, whether for profit or not.

Section 3. Temporary and Other Structures. No structure of a temporary character, trailer, mobile home, tent, shack, barn, or any other structure or building, other than the residence to be built thereon, shall be placed on any Lot, either temporarily or permanently, except as set forth in Section 18 of this Article IX, and no residence house (other than a new, prefabricated structure which satisfies the requirements set forth in Article VIII hereof) shall be moved upon any Lot from another location; except, however, that during the construction and sales period, a builder may, upon obtaining permission of and on such conditions as are specified by the Association, erect and maintain such temporary structures on any Lot as is customary in connection with the construction and sale of houses, including, without limitation, a temporary office building, storage area, signs, and sale office. A builder shall also have the temporary right to use a residence situated on a Lot as a temporary office or model home during the period of and in connection with his construction and sales operations in the Properties, but in no event for more than a period of one (1) year from the date of substantial completion of his last residence in the Properties.

Section 4. Nuisance. No noxious or offensive activity shall be carried on or permitted upon any Lot or upon the Common Properties, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood or to other Owners. The Board of Directors of the Association shall have the sole and exclusive discretion to determine what constitutes a nuisance or annoyance. No trucks larger than three-quarters of a ton nor any motor vehicles not currently licensed shall be permitted to be parked on any Lot, except in a closed garage, or on any street for a period in excess of six (6) hours in any twenty-four (24) hour period. No repair work, dismantling, or assembling of motor vehicles or other machinery or equipment shall be done or permitted on any street, driveway, or other portion of the Common Properties. The use or discharge of firearms in the Properties is prohibited.

Section 5. Signs. Except for signs displayed by Declarant for so long as Declarant shall own any portion of the Properties, no sign of any kind shall be displayed to the public view on any Lot or the Common Properties, except:

(a) Builders may display one (1) sign of not more than six (6) square feet on a Lot to advertise the Lot and any Residential Structure situated thereon for sale during the sales and/or construction period; and

(b) Any Owner may display one (1) sign of not more than six (6) square feet on a Lot improved with a Residential Structure to advertise the Lot and/or Residential Structure for sale or rent.

Section 6. Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot or on any portion of the Common Properties, except that dogs, cats, or other common household pets (not to exceed three [3] adult animals) may be kept, but they shall not be bred or kept for commercial purposes.

Section 7. Removal of Dirt. The digging of dirt or the removal of any dirt from any Lot or from any portion of the Common Properties is prohibited, except as necessary in conjunction with landscaping or construction of improvements thereon.

Section 8. Garbage and Refuse Disposal. All Lots and the Common Properties shall at all times be kept in a healthful, sanitary, and attractive condition. No Lot or any part of the Common Properties shall be used or maintained as a dumping grounds for garbage, trash, rubbish, junk or other waste matter. All trash, garbage, or waste matter shall be kept in adequate containers with tightly-fitting lids, which shall be maintained in a clean and sanitary condition and screened from public view. There is hereby reserved in favor of the Association the determination of the method of garbage disposal, that is whether it shall be through public authority or through private garbage disposal service. No garbage, trash, rubbish, debris, or other waste matter of any kind shall be burned on any Lot.

Section 9. Use of Common Properties. There shall be no obstruction of any part of the Common Properties, which are intended to remain unobstructed for the reasonable use and enjoyment thereof. No Owner shall appropriate any part of the Common Properties to his exclusive use, nor shall any Owner do anything which would violate the easements, rights, and privileges of any Owner in regard to any portion of the Common Properties which is intended for the common use and benefit of all Owners. Except as may be herein permitted, no Member shall plant, place, fix, install or construct any vegetation, hedge, tree, shrub, fence, wall, structure, or improvements or store any of his personal property on the Common Properties or any part thereof without the written consent of the Association first obtained. The Association shall have the right to remove anything placed on the Common Properties in violation of the provisions of this Section and to recover the cost of such removal from the Owner responsible.

Section 10. Septic Tanks. No privy, cesspool, or septic tank shall be placed or maintained upon or in any Lot or other portion of the Properties.

Section 11. Fences. No fence or wall shall be situated on any portion of the Properties between the building lines shown on the Subdivision Plat and the street. All fences shall be maintained in a neat and presentable manner at all times.

Section 12. Access. No driveways or roadways may be constructed on any Lot to provide access to any adjoining Lot or other portion of the Properties unless the express written consent of the Association first shall have been obtained.

Section 13. Driveways and Culverts. Each Lot must be accessible to an adjoining street by a driveway suitable for such purpose before the Residential Structure located on any such Lot may be occupied or used. No Owner may block any drainage ditch (including road ditches). The specifications for and construction of all drain tiles or culverts in any drainage ditch, whether to be installed in connection with a driveway or otherwise, must be approved by the Association.

Section 14. Obstruction of Easements. There shall be no obstruction of any portion of the greenbelt easement over the rear fifteen (15) feet of Lots twelve (12) through sixty-three (63), Block Five (5), and Reserves Two (2) and Three (3), Block Five (5), created in Article II hereof, which is intended to remain unobstructed for the use and enjoyment thereof by the Owners specified in Article II. No Owner of any of the Lots or Reserves subject to such easement shall appropriate any part of such easement to his exclusive use, nor shall any such Owner do anything which would violate the easement rights and privileges of any other such Owner in regard to such easement. No such Owner shall plant, place, fix, install or construct any hedge, tree, shrub, or similar vegetation, fence, wall, structure or improvements, or store any of his personal property on the portion of such Lots or Reserves subject to such easement or any part thereof without the express written consent of the Association first obtained. The Association shall have the right to remove anything placed on the portion of such Lots or Reserves subject to such easement in violation of the provisions of this Section and to recover the cost of such removal from the Owner responsible.

Section 15. Utilities. Each Residential Unit situated on a Lot or Lots shall be connected to the water and sewer lines as soon as practicable after same are available at the Lot line.

Section 16. Multiple-Family Residential Use. Any or all Lots in Blocks One (1), Two (2), Three (3), and Four (4), and Lots One (1) through Eleven (11), Block Five (5), or any portions thereof, may be used as Building Sites for duplex Residential Structures (for the purposes hereof the term "duplex" shall mean and refer to a Residential Structure containing two (2) (but not more) Residential Units).

Section 17. Exempt Property. Notwithstanding any provision herein to the contrary, Reserves Five (5) and Six (6) shall not be subject to or burdened by the building and use restrictions set forth in this Article IX, nor shall the Common Properties be subject to or burdened by such building and use restrictions, except to the extent same are made specifically applicable to the Common Properties.

Section 18. Optional Use. Declarant hereby reserves unto itself, its successors and assigns, the right to use and utilize Lots Twenty-three (23) through Twenty-five (25) in Block One (1) as and for parking space for boat trailers and motor vehicles of such persons as Declarant, his successors and assigns, shall designate. If at any time Declarant determines that in the best interest of Harbor Point Subdivision such right should be terminated as to all or any of said Lots Declarant may terminate such right by filing of record an appropriate instrument evidencing its election to terminate such right, and thereupon, this Section 18. shall no longer apply to the Lot(s) or portion(s) thereof made the subject of such termination instrument.

ARTICLE X

General Provisions

VOL 978 PAGE 633

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any land subject to this Declaration or any Supplemental Declaration, their respective legal representatives, heirs, successors and assigns, for an initial term commencing on the effective date hereof and ending December 31, 2011. During such initial term the covenants and restrictions of this Declaration may be changed or terminated only by an instrument signed by the Owners of fifty-one percent (51%) of all of the Lots in Harbor Point Subdivision, with the execution of such instrument for each Lot to be determined in accordance with the provisions of Article IV, Section 6 of this Declaration, with the sole exception thereto being that Declarant, for the purposes of this Section only, shall be entitled to one (1) vote for each Lot or portion thereof which is then owned by it, and properly recorded in the appropriate records of Montgomery County, Texas. Upon the expiration of such initial term, said covenants and restrictions (as changed, if changed), and the enforcement rights relative thereto, shall be automatically extended for successive periods of ten (10) years. During such ten (10) year extension periods, the covenants and restrictions of this Declaration may be changed or terminated only by an instrument signed by fifty-one percent (51%) of all of the then Owners in Harbor Point Subdivision and properly recorded in the appropriate records of Montgomery County, Texas.

Section 2. Enforcement. The Association as a common expense to be paid out of the Maintenance Fund (except as otherwise provided herein), or any Owner (except as otherwise provided herein) at his own expense, shall have the right to enforce, by proceedings at law or in equity, all restrictions, covenants, conditions, reservations, liens, charges, assessments, and all other provisions set out in this Declaration and any Supplemental Declaration. Failure of the Association or of any Owner to take any action upon any breach or default of or in respect to any of the foregoing shall not be deemed a waiver of their right to take enforcement action upon any subsequent breach or default.

Section 3. Amendments by Declarant. The Declarant shall have and reserves the right at any time and from time to time, without the joinder or consent of any party, to amend this Declaration by any instrument in writing duly signed, acknowledged, and filed for record, for the purpose of correcting any typographical or grammatical error, ambiguity or inconsistency appearing herein, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration and shall not impair or affect the vested property or other rights of any Owner or his mortgagee.

Section 4. Interpretation. If this Declaration or any word, clause, sentence, paragraph, or other part thereof shall be susceptible of more than one or conflicting interpretations, then the interpretation which is most nearly in accord with the general purposes and objectives of this Declaration shall govern.

Section 5. Omission. If any punctuation, word, clause, sentence, or provision necessary to give meaning, validity, or effect to any other word, clause, sentence, or provision appearing in this Declaration shall be omitted herefrom, then it is hereby declared that such omission was unintentional and that the omitted punctuation, word, clause, sentence, or provision shall be supplied by inference.

Section 6. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 7. Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, males or females, shall in all cases be assumed as though in each case fully expressed.

Section 8. Severability. Invalidation of any one or more of the covenants, restrictions, conditions, or provisions contained in this Declaration, or any part thereof, shall in no manner affect any of the other covenants, restrictions, conditions, or provisions hereof, which shall remain in full force and effect.

ARTICLE XI

Lienholder

First Federal Savings & Loan Association of Conroe, Texas, and Allied Conroe Bank, a state banking institution, with its banking quarters located in Conroe, Texas; Southern State Bank, with its banking quarters located in South Houston, Texas; and Farmer's State Bank, with its banking quarters located in Cleveland, Texas, being the owners and holders of the only liens on any portions of the Properties, have executed this Declaration to evidence their respective joinder in, consent to, and ratification of the imposition of the foregoing covenants, conditions and restrictions, and to subordinate their respective liens thereto.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein; the Other Owners; and the Lienholders, have executed this Declaration to be effective, this the 20th day of October, A. D. 1976.

ATTEST:

[Signature]
Secretary

DOYLE TOW, INC.

By: [Signature]
President

DECLARANT

[Signature]
Lloyd Frey

[Signature]
Ronald E. Buford, Trustee

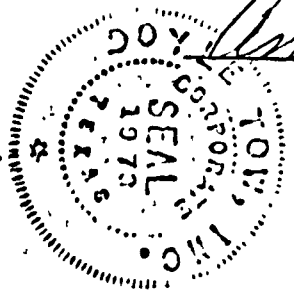
CONROE AREA INVESTMENTS, LTD.

By: [Signature]
Ronald E. Buford,
General Partner

PROPERTY INVESTMENTS, LTD.

By: [Signature]
Nolan Bedford, Partner

By: [Signature]
George Slaughter, Jr.,
Partner



David W. Crews
David W. Crews, Trustee

OTHER OWNERS



Naomi Johnson
Asst. Cashier

ALLIED CONROE BANK

By: Alan S. McCall
Executive Vice-President

SOUTHERN STATE BANK

By: J. H. Hines
President

ATTEST:

Yvonne Baldwin
Cashier

FARMER'S STATE BANK

By: A. S. Hatcher
Ex Vice President



Missie Repro
Asst. Cashier

FIRST FEDERAL SAVINGS & LOAN ASSOCIATION OF CONROE

By: Samuel E. Allen
President

ATTEST:

Frank Steinman
Secretary

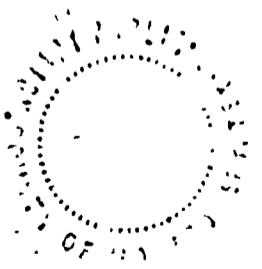
LIENHOLDER

STATE OF TEXAS X

COUNTY OF MONTGOMERY X

BEFORE ME, the undersigned authority, on this day personally appeared DOYLE TOW, President of DOYLE TOW, INC., known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he subscribed the same for the purpose and consideration therein stated, as the act and deed of said corporation, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 20th day of October, A. D. 1976.



Eleanor P. Funderburg
Notary Public in and for
Montgomery County, Texas
ELEANOR P. FUNDERBURG

STATE OF TEXAS X

COUNTY OF HARRIS X

BEFORE ME, the undersigned authority, on this day personally appeared LLOYD FREY, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 21st day of October, A. D. 1976.



Iris P. Sawyer
Notary Public in and for
Harris County, T e x a s

IRIS P. SAWYER
Notary Public in and for Harris County, Texas
My Commission Expires June 1, 1977

STATE OF TEXAS X

COUNTY OF MONTGOMERY X

BEFORE ME, the undersigned authority, on this day personally appeared RONALD E. BUFORD, TRUSTEE, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 20 day of October, A. D. 1976.



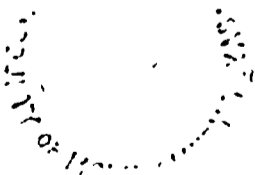
Karla Wolff
Notary Public in and for
Montgomery County, Texas

STATE OF TEXAS X

COUNTY OF MONTGOMERY X

BEFORE ME, the undersigned authority, on this day personally appeared RONALD E. BUFORD, GENERAL PARTNER of CONROE AREA INVESTMENTS, LTD., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said CONROE AREA INVESTMENTS, LTD., and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 20 day of October, A. D. 1976.

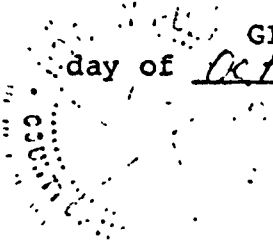


Karla Wolff
Notary Public in and for
Montgomery County, Texas

STATE OF TEXAS X
MONTGOMERY
COUNTY OF ~~HARRIS~~ X

BEFORE ME, the undersigned authority, on this day personally appeared NOLAN BEDFORD, PARTNER of PROPERTY INVESTMENTS, LTD., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said PROPERTY INVESTMENTS, LTD., and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 27th day of October, A. D. 1976.

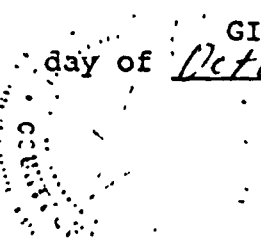


William Turner Fowler
Notary Public in and for ~~HARRIS~~ HARRIS COUNTY, TEXAS
Montgomery ~~WILLIAM T. FOWLER~~

STATE OF TEXAS X
MONTGOMERY
COUNTY OF ~~HARRIS~~ X

BEFORE ME, the undersigned authority, on this day personally appeared GEORGE SLAUGHTER, JR., PARTNER of PROPERTY INVESTMENTS, LTD., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said PROPERTY INVESTMENTS, LTD., and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 27th day of October, A. D. 1976.

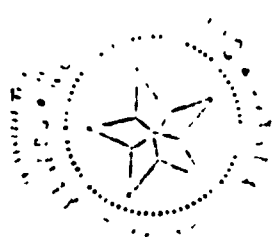


William Turner Fowler
Notary Public in and for ~~HARRIS~~ HARRIS COUNTY, TEXAS
Montgomery ~~WILLIAM T. FOWLER~~

STATE OF TEXAS X
COUNTY OF MONTGOMERY X

BEFORE ME, the undersigned authority, on this day personally appeared Allyson J. McCallan EXECUTIVE VICE-President of ALLIED CONROE BANK, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated, as the act and deed of such Bank, and in the capacity therein stated.

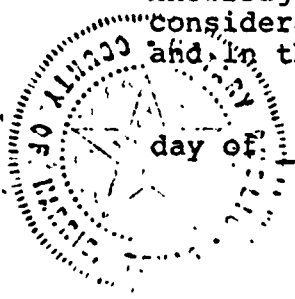
GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 20 day of October, A. D. 1976.



Laurie Bailey
Notary Public in and for
Montgomery County, Texas

STATE OF TEXAS X
COUNTY OF HARRIS X

BEFORE ME, the undersigned authority, on this day personally appeared R. A. Loveless President of SOUTHERN STATE BANK, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated, as the act and deed of said Bank, and in the capacity therein stated.

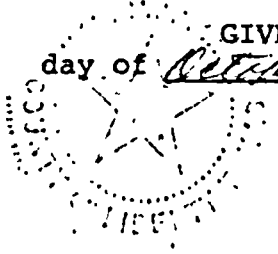


GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 21st day of October, A. D. 1976.

Shirley S. Brown
Notary Public in and for
Harris County, T e x a s

STATE OF TEXAS X
COUNTY OF LIBERTY X

BEFORE ME, the undersigned authority, on this day personally appeared A. G. Walker President of FARMER'S STATE BANK, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said Bank, and in the capacity therein stated.

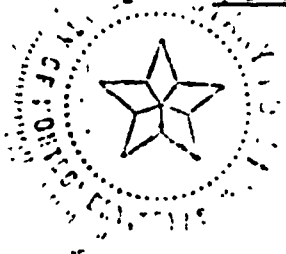


GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 29 day of October, A. D. 1976.

Sandra Stevens
Notary Public in and for
Liberty County, Texas

STATE OF TEXAS X
COUNTY OF MONTGOMERY X

BEFORE ME, the undersigned authority, on this day personally appeared DAVID W. CREWS, TRUSTEE, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.



GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 22nd day of October, A. D. 1976.

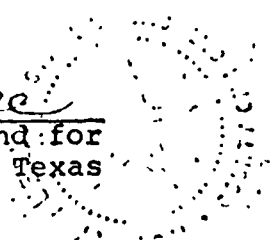
Patricia G. Barnett
Notary Public in and for
Montgomery County, Texas

STATE OF TEXAS X
COUNTY OF MONTGOMERY X

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared

Sam P. Evars, Executive Vice President of FIRST FEDERAL SAVINGS & LOAN ASSOCIATION OF CONROE, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated, as the act and deed of said FIRST FEDERAL SAVINGS & LOAN ASSOCIATION OF CONROE, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 24th day of January, A. D. 1977.


Regina Curlee
Notary Public in and for
Montgomery County, Texas

FILED FOR RECORD
AT 11 O'CLOCK A M

FEB 23 1977

ROY HARRIS, Clerk
County Court, Montgomery Co. Tx.
By Linda M. Reed Deputy