21315

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR COPPERFIELD PLACE, SECTION ONE

A SUBDIVISION IN HARRIS COUNTY, TEXAS

STATE OF TEXAS:

3701315

COUNTY OF HARRIS:

THIS DEC ARATION, is made on the date hereinafter set forth by FRIENDSWOOD DEVELOPMENT COMPANY, an Arizona corporation, hereinafter referred to as "Declarant";

WITNESSETH:

WHEREAS, Declarant is the owner of certain property heretofore platted and subdivided into that certain subdivision known as Copperfield Place, Section One, (the "Property"), according to the plat recorded in Volume 296, Page 11, of the Map Records of Harris County, Texas;

WHEREAS, Declarant desires to develop the Property as a residential and commercial subdivision, together with any other land which Declarant at its sole discretion may hereafter add thereto, and to provide and adopt a uniform plan of development including assessments, conditions, covenants, easements, reservations, and restrictions designed to govern, control and preserve the values and amenities of the Property for the development, improvement, sale, use and enjoyment of the Property as a residential and commercial subdivision; and

WHEREAS, Declarant desires to subject the Property, together with additional land as may hereafter be made subject hereto, to the assessments, conditions, covenants, easements, reservations, and restrictions hereinafter set forth, for the benefit of the Property, additions thereto, and each Owner of any part thereof; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in said subdivision, to create an Association (hereinafter defined) to which shall be delegated and assigned the powers of administering and enforcing these assessments, conditions, covenants, easements, reservations and restrictions, including levying, collecting and disbursing the assessments; and

WHEREAS, there has been incorporated the Copperfield Place Property Owners Association, Inc., a non-profit corporation created under the laws of the State of Texas, whose directors have established By-Laws by which said Association shall be governed through its Board of Directors, for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, Declarant hereby declares that the Property shall be developed, improved, sold, used and enjoyed in accordance with, and subject to the following plan of development, including the assessments, conditions, covenants, easements, reservations, and restrictions hereinafter set forth, all of which are hereby adopted

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for, and placed upon said Property and shall run with the Property and be binding on all parties, now and at any time hereafter, having or claiming any right, title or interest in the Property or any part thereof, their heirs, executors, administrators, successors and assigns, regardless of the source of, or the manner in which any such right, title or interest is or may be acquired, and shall inure to the benefit of each Owner of any part of the Property.

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ARTICLE 1

DEFINITIONS

Section 1. "ARC" shall mean and refer to the Architectural Review Committee established for the Property as hereinafter set forth.

Section 2. "Association" shall mean and refer to the Copperfield Place Property Owners Association, Inc., a nonprofit corporation, incorporated under the laws of the State of Texas, its successors and assigns.

Section 3. "Board" shall mean and refer to the duly elected Board of Directors of the Association.

Section 4. "Building Height" shall mean and refer to the distance from the highest finished grade to the top of the roof or parapet wall, whichever is the higher.

Section 5. "Commercial Unit" shall mean a portion of the Property containing ten thousand (10,000) square feet of land area (exclusive of any land located within the Transcontinental Gas Pipeline Corp. easement recorded under Film Code No. 1000-0455, File No. E771313) and shall be the basis for voting rights and assessment in and by the Association, and shall be applicable to all reserves designated as either "Unrestricted" or "Restricted to other than residential" in platted areas under the jurisdiction of the Association.

Section 6. "Common Area" shall mean all real property owned in fee or held in easement by the Association for exclusive common use and enjoyment of the Owners and shall include areas designated by Declarant to be conveyed by deed or easement to the Association.

Section 7. "Landscape" shall mean the planting of trees, shrubs, small scale foliage, and grass in open space areas.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Articles of Incorporation of the Association.

Section 9. "Open Space" shall mean and refer to an unpaved area not used for vehicular access, parking, or building slabs/ foundations.

Section 10. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to the surface estate in any Tract which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 11. "Property" shall mean and refer to Copperfield Place, Section One, and any other lands which may hereafter be made subject to this Declaration. Section 12. "Restrictions" shall mean and refer to those certain covenants, conditions, reservations and restrictions herein-after set forth.

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Section 13. "Tract" shall mean and refer to each parcel of land separately described in a General Warranty Deed of Conveyance from Declarant to an Owner.

ARTICLE II

PROPERTY RIGHTS

Section 1. The Association. The Association is hereby granted an easement and right-of-way in and to the Common Area for the purposes stated in the definition of Common Area set forth hereinabove, subject to the provisions of these Restrictions.

Section 2. Owners Easements of Enjoyment. Every Owner shall have the right to an easement of enjoyment in and to any Common Area which right shall be appurtenant to and shall pass with the title of every Tract, subject to the following provisions:

(a) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency or authority for such purposes and subject to such conditions as may be approved by a two-thirds (2/3) vote of the Members. Dedication of easements for public utility purposes can be approved by the Board and does not require the approval of the Members.

(b) Owner shall not plant, place, fix, install or construct or remove any vegetation, hedge, tree, shrub, fence, wall, structure or improvement on the Common Area either in whole or in part without the written consent of the Association first obtained. The Association may, without liability to the Owner or Owners, remove anything placed on the Common Area in violation of the provisions of this sub-section and recover the cost of such removal from the Owners responsible.

Section 3. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the Property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership Every person or entity who is a record Owner of any Tract which is subject to the annual assessment by the Association shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Any one Owner shall have no more than one membership. Membership shall be appurtenant to and may not be separated from ownership of the land which shall be the sole qualification of membership.

Section 2. Voting Rights Each owner, including the Declarant, shall be entitled to one vote for each Commercial Unit. Where more than one person or entity owns such a Commercial Unit, the

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vote shall be exercised as they among themselves shall determine, but in no event shall more than one vote be cast with respect to each Commercial Unit. No partial votes may be cast and voting privileges shall be suspended with respect to any Commercial Unit for which any assessment, either regular or special, has not been paid by the due date set forth herein.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant hereby covenants, and the Owner of any Tract by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

(a) annual maintenance assessments, and

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(b) special assessments for capital improvements.

The regular and special assessments, together with late charges and reasonable attorney's fees as necessary for collection, shall be a charge on the land and shall be a continuing lien upon each Commercial Unit against which each such assessment is made. Each such assessment, together with late charges and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of the commercial unit at the time when the assessment became due. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. Assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the members of the Association and, in particular, maintenance of any Common Area, parkways, esplanades and entryways, police and security service, fire protection, emergency medical service, street cleaning, street lighting, mosquito control and other services as may be in the community's interest.

Section 3. Rate of Annual Assessment. Until January 1 of the year immediately following the recording of the subdivision plat, the maximum annual assessment shall be Two Hundred Dollars (\$200.00) per Commercial Unit or proportional fraction thereof.

The annual assessments provided for herein shall commence on either the first day of the fourth month following the date of conveyance by Declarant to an Owner or the first day of the month following the date when a building permit is issued or building construction commences, whichever shall first occur. Declarant shall be subject to and be liable for payment of the annual assessments only if Declarant receives a building permit issued in its name or commences building construction on a particular Tract, whichever shall first occur, in which case Declarant shall be liable for payment of the annual assessment for that particular Tract only, in the same manner as any other Owner.

The first annual assessment shall be made for the balance of the calendar year as determined on a pro-rata basis and shall become due and payable on the day fixed for commencement as prescribed above. The assessments for any year, after the first year, shall become due and payable in advance on the first day of January. The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment.

The Board may determine and certify that the then current annual assessment is sufficient, insufficient, or excessive to reasonably meet the expenses of the Association and, at a meeting called for such purpose at least 30 days in advance of the assessment period, by majority vote, may increase or decrease the annual assessment by an amount not to exceed fifteen percent (15%) of the previous annual assessment. The annual assessment shall not be increased or decreased more than once in any calendar year and any increases shall not take effect retroactively.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement in the Common Area, provided that any such assessment shall have the approval of two thirds (2/3) of the Members who are voting in person or by proxy at a meeting duly called for this purpose. Such special assessments will be due and payable in the same manner as the annual assessment and shall be levied only against those owners subject to the annual assessment as set forth in Section 3 hereof.

Section 5. Notice and Quorum for Any Action Authorized Under Section 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 4 hereof shall be sent to all Owners not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At such called meeting, the presence of Owners or of proxies entitled to cast sixty percent (60%) of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that the subsequent meeting shall not be held more than sixty (60) days following the preceding meeting.

Section 6. Notice of Annual Assessments: The Board shall fix the amount of the annual assessment at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment including the due dates shall be sent to every Owner. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessment on a specified Tract has been paid.

Section 7. Effect of Nonpayment of Assessments: Remedies of the Association. A late charge shall be added to any assessment not paid within thirty (30) days after the due date and shall be calculated from the due date of the assessment at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the Owner personally obligated to pay any assessment, or may foreclose a lien against the property. An Owner may not waive or

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otherwise escape liability for the assessment by reason of non-use or abandonment.

Section 8. Subordination of the Lien to Mortgages. The assessment lien shall be subordinate to the lien of any first mortgage. Sale or transfer of any Tract shall not affect the assessment lien. However, the sale or transfer of any Tract pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of any assessments which became due prior to such sale or transfer, but otherwise the lien shall survive such foreclosure or proceedings. Sale or transfer shall not relieve any Tract from the liability of any subsequent assessments or from the lien thereof.

Section 9. Exempt Properties. All properties dedicated to and accepted by a municipal authority and all properties owned by charitable or non-profit organizations, which are exempt from taxation by the laws of the State of Texas shall be exempt from the assessments created herein. The Board may make other exceptions wherein its determination there is a beneficial result to the development plan for the Property.

Section 10. Addition to the Property: Declarant may from time to time at Declarant's sole discretion add or annex additional land into the Association and thereby subject such land to this Declaration including the assessments, conditions, covenants, easements, reservations, and restrictions contained herein as if said land had been a part of the original Property. Such addition or annexation shall be accomplished by the execution by Declarant and filing for record of an instrument setting forth the land being added or annexed provided that said land is all or part of a recorded plat that has been duly filed for record in the Map Records of Harris County, Texas, and that said land is a part of the area designated by Declarant as Copperfield Place.

ARTICLE V

RESTRICTIONS OF USE

Section 1. ARC Approval Required. No buildings, additions or improvements shall be erected or placed on any Tract until the construction plans and specifications including, but not limited to, site layout, building location, building materials, colors, elevations, utility layout, signage, landscaping and exterior lighting have been submitted to and approved in writing by the ARC as hereinafter provided. Approval of plans and specifications shall not cover or include approval for any other purpose and specifically, but without limitation, shall not be construed as any representation as to or responsibility for the design of the improvement or the ultimate construction thereof. In the event the ARC fails to approve or disapprove such plans and specifications within thirty (30) days after the receipt thereof, they shall be deemed to be approved and the related covenants set out herein shall be deemed to have been fully satisfied. If the ARC disapproves plans and specifications submitted by Owner and the ARC and Owner are not able to resolve their differences within thirty (30) days thereafter, then, following Owner's written request therefor, Declarant may at Declarant's option, repurchase the land from Owner, for the original purchase price in cash, and Owner shall thereupon reconvey the land to Declarant by special warranty deed free and clear of all

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liens and encumbrances other than those to which the original conveyance was subject. The failure of Declarant to exercise said repurchase option shall in no way impair or alter the obligations of Owner as set forth in this Declaration. The ARC or its assignee, at its sole discretion, is hereby permitted to approve deviations in the general use restrictions set forth in Article V in instances where, in its judgment, such deviations will result in a more common beneficial use and enhance the overall development plan for the Property. Such approvals must be granted in writing and when given, will become a part of these restrictions. Section 2. Offensive or Illegal Uses. No use of the Property shall be permitted which is illegal or offensive in the opinion of Declarant by reason of odor, fumes, dust, smoke, noise or pollution, or which is hazardous by reason of excessive danger of fire or explosion. In addition, no activity or use shall be permitted on or with respect to any part of the Property which is obnoxious to or out of harmony with the development of a distinctive office, retail, commercial and residential subdivision, including, but not limited to, any trailer court, junk yard, scrap metal yard or waste material business, any dumping, disposal, incineration or reduction of garbage or refuse, and any fire or bankruptcy sale or auction house operation.

Section 3. Open Space. Building and parking area coverage for retail use shall allow for minimum open space areas in accordance with the following table unless otherwise approved in writing by ARC:

Site Size (x)	Open Space
Less than 1 Acre	20 Percent
l to 5 Acres	2.5 (9-x) = Required Percentage of Open Space

Greater than 5 Acres 10 Percent

Office and Residential Land Use Tracts shall require a minimum of twenty (20) percent open space, unless otherwise approved in writing by the ARC.

Open space areas must be landscaped by the Owner, provided, however, that the Association shall landscape and maintain open space areas held in fee or easement by the Association. Designated landscape easements within Tract boundaries may be included in open space calculations.

Section 4. Setbacks. Minimum building and parking setbacks shall be as follows (measured from property line):

	Building	Parking
State Highway 6	50'	50'
Other Public Streets	25'	25'
Common Area	10'	10'
Side Lot Line	10'	10'
Rear Lot Line	10'	10'

The ARC reserves the right during its review of construction plans to relax setback requirements on the Tracts where necessary or

desirable to accomplish a more effective and compatible land utilization. 62-22-1500

Section 5. Building Height. Retail buildings shall be limited to a maximum two (2) stories in height. Residential building heights (save and except condominimums) shall be limited to three (3) stories.

Section 6. Parking Requirements. Adequate automobile parking spaces including spaces for employee and customer/visitor parking, shall be provided on-site and all parking areas shall be internally drained, curbed, and paved. Minimum parking requirements/spaces shall be in accordance with the following table:

<u>Retail</u> - 5.0 spaces per 1,000 sq. feet of gross leasable area (excluding those areas used for storage and warehouse purposes).

Office - 3.5 spaces per 1,000 sq. feet of net leasable area.

Residential - 1.5 spaces/unit--Efficiency/l Bedroom

1.75 spaces/unit--2 Bedroom

2.0 spaces/unit--3+ Bedroom

Design and construction of parking areas should recognize the changing mix of full size, mid size and compact size parking spaces.

Section 7. Loading/Unloading. Delivery vehicle loading and unloading shall occur on-site only; on street delivery vehicle loading and unloading shall not be permitted. Loading/unloading facilities shall be separated from employee, customer and visitor circulation and parking areas and shall be screened from public view in a manner approved in writing by the ARC prior to construction.

Section 8. Outside Storage or Operations. No outide storage or operations of any kind shall be permitted unless such activity is visually screened from public view in a manner which is architecturally compatible and approved in writing by the ARC. No boats, trailers, campers, horse trailers, buses, inoperative vehicles of any kind, camping rigs off truck, boat rigging, or other vehicles or associated equipment of a recreational or commercial nature shall be parked or stored permanently or semi-permanently on any Tract unless properly screened from public view in a manner approved in writing by the ARC. All retail sales equipment, fixtures and merchandise shall be displayed only in the interior of a building, unless done in a manner acceptable to the ARC. Water towers, cooling towers, communication towers, storage tanks, and other structures or equipment shall be architecturally compatible with the aesthetics of the project or effectively shielded from public view. All utility/service system components and trash pick-up stations shall be integrated with the building or screened by a fence or wall of compatible materials and shall not be visible above such screening.

Section 9. Mechanical Equipment. All roof-top mechanical equipment shall be screened from the view of adjacent streets and buildings with material compatible with the building architecture or by the use of a parapet wall. Ground-mounted equipment such as power transformers and air conditioning equipment shall be screened from public view by fencing or landscaping, all of which must be approved in writing by the ARC.

Section 10. Grading and Drainage. Surface drainage shall be collected on-site and connected to underground storm drain structures. Care shall be taken not to cause damage to adjacent properties during construction or after completion of the project. Grading of the site shall be done without damaging existing trees in proposed open space areas as defined in Article V, Section 3.

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Section 11. Underground Utilities. Any pipe, conduit, cable, or line for water, gas, sewage, drainage, steam, shall not be installed or maintained (outside of any building) above the surface of the ground within any Tract, unless otherwise approved in writing by the ARC. Electricity or any other energy or service may be installed above ground with approval from the ARC.

Section 12. Easements. Easements for installation and maintenance of utilities are reserved as shown on the recorded plat of Copperfield Place Section One and as provided for in the deeds of conveyance to particular Tracts. No structure shall be erected on any of said easements, and no improvement may be placed within said easements without the prior written approval of the ARC and any utility company using such easements. Easements may be crossed by driveways and walkways provided the Owner secures the necessary prior approval of the utility companies furnishing services, and provides and installs any special conduit and other equipment of approved type and size, under such driveways and walkways prior to construction thereof. Neither Declarant nor any utility company using the easements shall be liable for any damage done by either of them or their assigns, their agents, employees or contractors to shrubbery, trees, flowers or other improvements (except the aforementioned special conduit) located on the land covered by said easements.

Declarant hereby reserves, for itself and its successors and assigns, a six foot (6') wide maintenance and corner clip easement, adjacent and as applicable, parallel to each of the property lines of all Tracts that abut a landscape reserve or major thoroughfare in cases where Declarant has constructed or intends to construct a fence within the landscape reserve or major thoroughfare public right of way, together with the right of ingress and egress for the purposes, without liability to Owner, of constructing, repairing, and/or reconstructing said fence. The easement area shall remain unobstructed of any structures or plantings that would prohibit access to the fence for the purposes set forth herein.

Section 14. Exterior Illumination. Exterior illumination, if such is to be provided, shall be designed to light only buildings, parking areas and walkways and shall not produce glare on adjacent streets or Tracts. All ground level floodlighting fixtures shall be depressed or screened from public view in a manner approved in writing by the ARC. Parking area lighting unit, arcade lighting and other illumination of a "Pedestrian Scale" shall be in a style in accordance with ARC Guidelines.

Section 15. Signing. All signs and their locations must be approved by the ARC in writing prior to installation. No sign of a flashing or moving character shall be installed and no sign shall

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project above the roofline of a building unless approved in writing by the ARC. Any sign installed without ARC approval may be removed by the ARC, without liability for trespass or other legal wrong in the ARC. For the purposes of this provision signing shall include flags/flagpoles, awnings, and canopies.

Section 16. Temporary Structures. No temporary building or structure other than construction offices and structures for related purposes during the construction period shall be installed or maintained on any Tract without the prior written approval of the ARC. All temporary structures used for construction purposes must receive approval by the ARC with regard to location and appearance, and must be removed promptly upon completion of construction.

Section 17. Tract Consolidation. If the Owner of any Tract becomes the Owner of one or more contiguous and adjoining Tracts, side yard line building and parking setbacks common to the contiguous Tracts may be waived by the ARC at its discretion.

Section 18. Maintenance. The Owner and lessee of any Tract shall have the duty of and responsibility for keeping the premises, building, improvements, appurtenances and landscaping in a well maintained, safe, clean and attractive condition at all times. If, in the opinion of the Association, any such Owner or lessee is failing in this duty and responsibility, then the Association may elect to give notice of such fact to such Owner or lessee, who shall within ten (10) days of such notice, undertake the care and maintenance required to restore said Owner's or lessee's Tract to a safe, clean and attractive condition. Should any such Owner or lessee in the opinion of Declarant fail to fulfill this duty and responsibility after such notice, the Association shall have the right and power to perform such care and maintenance, and the Owner or lessee shall be liable for the cost thereof. If such Owner or lessee shall fail to reimburse the entity performing the work, the amount of such charge shall constitute a lien upon the Tract enforceable as any mortgarge lien, but subordinate to any mortgage lien and any lien securing a construction loan to the Owner or lessee.

Section 19. Architectural Review Committee. The ARC shall be composed of three or more individuals designated by Declarant, its successors and assigns, and Declarant reserves the right to appoint replacements as necessary by reason of resignation, removal, or incapacity. Declarant hereby agrees to relinguish all ARC authority on or before fifteen (15) years from the date hereof, at which time full authority will become vested in the Association. The ARC may at any time appoint members to act in its behalf for matters other than new construction.

Section 20. Standards and Procedures. The ARC shall establish and promulgate rules, standards and procedures which it deems necessary and appropriate for the orderly development of the subdivision including but not limited to those with respect to workmanship, materials, building methods, observance of requirements concerning installation and maintenance of public utility facilities and services and compliance with governmental regulations. The ARC shall be guided by industry standards and may amend such rules, standards and procedures when deemed necessary and appropriate. Such rules, standards and procedures shall be binding and enforceable against each owner in the same manner as any other restriction

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Section 21. Modifications and Changes. Declarant reserves the right to modify and change the conditions contained in Article V for any additional land made subject to the Declaration if such modifications and changes in Declarant's judgment will result in a more common beneficial use and enhance the overall development plan for the Property. A second second second

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ARTICLE VI

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GENERAL PROVISIONS

Section 1. Enforcement. The Association or any Owner shall have the right to enforce, by any proceedings at law or in equity, all assessments (including liens or charges), conditions, covenants, easements, reservations, and restrictions now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any provision of this Declaration does not constitute a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants, conditions or restrictions shall not affect any other provision, which shall remain in full force and effect.

Section 3. Amendment. The covenants, conditions and restrictions of this Declaration shall run with, and bind the Property, for a term of twenty (20) years from the date hereof, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than seventyfive percent (75%) of the Owners, and thereafter by an instrument signed by not less than fifty percent (50%) of the Owners.

Section 4. Books and Records. The books, records and papers of the Association shall, during reasonable business hours, be subject to inspection by any member. The Articles of Incorporation, By-Laws, and this Declaration shall likewise be available for inspection by any Member at the office of the Association.

Section 5. Notices. Any notice required to be sent to any 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 Owner on the records of the Association at the time of such mailing.

Section 6. Good Faith Lender's Clause. Any violation of these restrictions shall not affect any lien or deed of trust of record held in good faith, upon any tract or any part thereof, which liens may be enforced in due course, subject to the covenants, conditions, and restrictions contained herein.

Section 7. Mergers. Upon a merger or consolidation of the Association with another association as provided in its Articles of Incorporation, its properties, assets, rights and obligations may be transferred to another surviving or consolidated association or, alternatively, the properties, assets, rights and obligations of another association may be transferred to the Association as a surviving corporation. The surviving or consolidated association shall administer any Restrictions together with any Declarations of Covenants, Conditions and Restrictions governing these and any other properties, under one administration.

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No such merger or consolidation shall cause any revocation, change or addition to this Declaration.

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Section 8. Conflict with Deeds of Conveyance. If any part of this Declaration shall be in conflict with any covenant, condition or restriction within a previously recorded deed of conveyance to any portion of the Property, the covenants, conditions or restrictions within the prior deed of conveyance shall govern but only to the extent of such conflict. Where certain rights are reserved by Declarant in these restrictions, Declarant reserves the right to make certain modifications therein as necessary in deeds of conveyance, in which case the terms of the deeds of conveyance shall prevail.

Section 9. Reservation of Minerals. The Property, and any future land made subject to this Declaration, are hereby subjected to the following reservation and exception: Declarant hereby reserves unto itself and its successors, assigns and predecessors in title in accordance with their respective interests of record all oil, gas and other minerals in, on and under said land, but Declarant hereby waives the right to use the surface of the land, other than that land or easements owned by Declarant, for exploring, drilling for, producing and mining oil, gas and other minerals, provided that Declarant hereby retains and reserves the right to pool the land with other lands for development of oil, gas and other minerals and the right to drill under and through the subsurface of the land below the depth of one hundred feet (100') by means of wells located on the surface of the land outside this subdivision or on land or easements owned by Declarant. Such exceptions, retained rights and reservations shall inure to the benefit of Declarant, its predecessors in title and it successors and assigns in accordance with their respective interests of record.

Initial Construction Period. Unless otherwise Section 10. specified in the deed of conveyance, Owner shall commence construc-tion of improvements on or before six (6) months from the date of conveyance to Owner and uligently thereafter proceed to final completion (i.e., ready for tenant improvements or occupancy) within eighteen (18) additional months (plus a period of time equal to the duration of delays if any caused by reason of fire, act of God, shortage of labor or material, strike, lockout, casualty, or other conditions beyond Owner's control). In the event that Owner should fail to perform as set forth above, Owner will upon request of Declarant, or its successors or assigns, and upon tender to Owner by Declarant in cash a sum equal to ninety (90) percent of the purchase price paid by Owner to Declarant for the Tract and reconvey the Tract to Declarant, or its successors or assigns, by special warran-ty deed free and clear of any liens and encumbrances other than those to which the original conveyance was subject and any express lien against said Tract to secure amounts actually expended in the construction of the improvements on the Tract. The conditional option to repurchase herein reserved shall be exercised by Declarant on or before thirty (30) months from the date of conveyance (plus the period of time beyond Owner's control, heretofore described, which may have been required to complete the construction of improvements), at which time, failing exercise thereof, such option shall terminate and be of no further force or effect. If Owner should execute a deed of trust to secure a constuction loan made to Owner, and should inform Declarant in writing of the name and identity of such Mortgagee, then in such event, at any time when

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Declarant considers that Owner is in default under this paragraph, Declarant shall give written notice thereof to Mortgagee at the address furnished, and Mortgagee shall thereupon have a reasonable time within which to foreclose its lien, acquire title to and possession of the Tract, and comply with the provisions of this paragraph; while Mortgagee is attempting in good faith to accomplish the foregoing, Declarant shall not exercise the conditional purchase option.

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IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this \underline{f}_{i} day of \underline{f}_{i}

. . . ., ATTEST: . A.A. FRIENDSWOOD DEVELOPMENT COMPANY °B.B fill Far l By Secretary Vice President CNI. B. P. Pierce Randall Parish

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STATE OF TEXAS COUNTY OF HARRIS

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GIVEN UNDER MY HAND AND SEAL OF OFFICE this the lock day actalia of Notary Public in and for Notary Public in Texas Harris County, Texas Kettilger L. Commings My Commission Express 2-30-84 STATE OF TEXAS PLEASE RETURN TO: Friendswood Development Company I heleby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped berean by met and was duly RECORDED. In the Official Public Records of Real Property of Marris County, Targa on D. Breeland 4550 Dacoma Building P. O. Box 2567. OCT - 2 1980 Houston, Texas 77001 ante Laubeant COUNTY CLERK, HARRIS COUNTY, TEXAS -13-

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