

THE STATE OF TEXAS
COUNTY OF WALKER

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
WILDWOOD SHORES SUBDIVISION
SECTION I**

As Amended the 28th Day of September, 1999.

SUNTEX FULLER CORPORATION, hereinafter called "Declarant" or "Developer" is the Owner in fee simple of certain real property located in Walker County, Texas, said property being known as Section I of Wildwood Shores Subdivision, as per plat thereof of record or to be placed on record in the plat records of Walker County, Texas

Subject property is now or will be divided into smaller parts or tracts, the total of which will hereinafter be referred to as the "Project", or as WILDWOOD SHORES, Section I.

The properties herein described being property owned by Suntex Fuller Corporation. Suntex Fuller Corporation is hereinafter-called Owner, Developer, Suntex or Declarant.

Know all men by these presents that said property is hereby placed under the restrictions, covenants and conditions as set forth in this document.

For the purpose of enhancing and protecting the value, utility, attractiveness and desirability of the tracts constituting such project, Declarant hereby declares that all of the real property described above and each part thereof shall be held, sold, and conveyed subject to the following easements, authority, covenants, conditions and restrictions, which shall constitute covenants running with the land and shall be binding on all parties having any right, title, or interest in the above described property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each Owner thereof.

The reference in a deed stipulating the conveyance to be subject to these covenants and citing the recording information will make the property subject to these covenants the same as if they were written in the deed.

This project is on private property for the use and benefit of the property owners therein and their guests. The individual properties and the properties known as Commons for any purpose are not public properties and are not for use by members of the public.

Purchaser is requested to read this covenant in full and particularly to read Article XIV titled Notices.

**ARTICLE I
DEFINITIONS**

Section 1: "Association" shall mean and refer to WILDWOOD SHORES PROPERTY OWNERS ASSOCIATION, its successors and assigns, or corporate entity of similar name as created by Developer, also called P.O.A.

Section 1A: Special Association shall mean and refer to any association created by developer to govern a commons dedicated to a specific group of lots for use and maintenance by the owners served thereby.

Section 2: "Declarant" shall mean SUNTEX FULLER CORPORATION, its successors and assigns, provided such an assign acquires the project in total, or the remainder in total for purposes of development and sale. Declarant may be referred to as Developer.

Section 3: "Tract" shall mean any plot of land as is divided or re-divided within the project.

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BY Melba High DEPUTY.

Section 4: "Maintenance" shall mean the exercise of reasonable care to keep buildings, private roads, landscaping, lighting, drainage, irrigation systems, commons and other related improvements and fixtures in a condition comparable to their original condition, normal wear and tear excepted.

Section 5: "Member" shall mean every person or entity that holds membership in the Association. Each purchaser of property in the project becomes a member of the association upon such purchase.

Section 6: "Mortgagee" shall mean a holder of a bona fide mortgage or a beneficiary under or holder of a Deed of Trust.

Section 7: "Mortgage" shall mean a bona fide mortgage, a Deed of Trust, or a Vendor's Lien.

Section 8: "Authority" shall mean that authority as created herein and vested in the Association or in Developer for future vestment into the Association or utility.

Section 9: "Board" shall mean the Board of Directors of the Association.

Section 10: "Drives" shall mean any common area reserved for use by all Owners for vehicular traffic.

Section 11: "Commons" shall mean any property reserved for or dedicated to the common use of all property owners, or established through easements across tracts, or any properties leased for such purpose.

Section 11A: "Specific Commons" shall mean any property reserved or dedicated to the common use of a limited, specified group of property owners in a designated section, block, tract or group of lots as designated upon the plat or otherwise identified by recorded document.

Section 12: "Owner" shall mean the record Owner, including Declarant, whether one or more persons or entities, of fee simple title to any tract or condo, which is a part of the project, and shall include purchasers under contract for deed, but shall not include those holding title merely as security for performance of an obligation.

Section 13: "Project" shall mean the real property described herein, and such additions thereto as may be brought within the Jurisdiction of the Association as hereinafter provided.

Section 14: "Vote" where one vote per lot is stated herein, it will mean one vote for a full lot and/or a fractional vote for a fraction of a lot, i.e., a 1 1/2-lot ownership will count as 1 1/2 votes, or one (1) vote per condominium.

Section 15: "Architectural Control Committee" (ACC), a committee to approve and/or disapprove construction plans.

Section 16: "Easements" shall mean any easements or rights of way created by plats or instruments placed of record or as described in any deed for any purpose, including but not limited to drainage, utilities, access or commons.

Section 17: "Permanent Occupancy" shall mean the uninterrupted occupancy of a dwelling for more than 30 days with indications or purpose to continue such occupancy.

Section 18: "Condominium Interest" will mean the ownership of a condominium in the project. This ownership may be referred to as "condo".

Section 19: "Garden Home or tract" will refer to the ownership of a lot with a zero lot line.

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ARTICLE II
EASEMENTS, DRIVES, ROADS, AND PRIVATE ROADS OR VEHICULAR ACCESS ARE ALL COMMONS AND NOT FOR USE BY THE PUBLIC.

Section 1: Private roads, drives, or access easements and easements for installation and maintenance of utilities, irrigation and drainage, are established by separate instrument or instruments of record or to be placed of record in the office of the County Clerk and as hereinafter set forth. Within such easements, private roads and Commons, no structure, planting, or other material shall be placed or permitted to remain which may damage, interfere with, or change the direction or flow of drainage facilities or any natural drainage utilized by developer in the easements, or which may interfere with passage along such common or private road easements, or which would interfere with maintenance thereof. The easement area of each tract and all improvements therein shall be continuously maintained by the Owner of such tract, except for improvements or maintenance of which a public, private, or quasi-public authority or utility company is responsible. Easements established as commons for vehicular access, greenbelts, riding trails, hiking trails, utilities, etc. will be maintained by the association and may not be fenced into private property except as hereinafter prescribed.

Section 2: No dwelling unit or other structure of any kind shall be built, erected, or maintained on or in any such easement, reservation, or right of way, and such easements, reservations and rights of way shall at all times be open and accessible to representatives of the Authority, to public and quasi-public utility corporations, their employees and contractors, and shall also be open and accessible to Declarant, its successors and assigns, all of whom shall have the right and privilege of doing whatever may be necessary in, or under, and above such locations to carry out any of the purposes for which such easements, reservations, and rights of way are reserved.

Section 3: The Association, through its duly authorized representatives, employees and contractors shall have the right, after reasonable notice to the Owner thereof, to enter any tract at any reasonable time to perform such maintenance as may be authorized herein.

Section 4: The private drive or roadway easements as set forth herein or by separate instruments, or as established within the commons upon the ground, are for the private use and benefit of the Owners of the tracts within the project, and their guests or tenants, as therein prescribed, and under the conditions as therein set forth, and are not dedicated to the general public.

Section 5: The Declarant/Developer or the Association in its authority may take unto itself or execute unto any fresh water supply, electric utility, gas utility, telephone, sewer or other utility entity right of way easements in the form and under the conditions as may at that time be required by said entity as a prerequisite to service of this project with fresh water, electricity, gas, telephone, sewer, TV cable, or other utility or service.

Section 6: The Declarant/Developer or the Association in its authority may take unto itself or execute unto others right of way easements in the form and under the conditions as at that time may be required by said entity to distribute to each and every tract herein water for the purposes of consumption or irrigation, and/or to provide drainage, as well as to provide for wastewater collection and other utility services.

Section 7: It is understood and agreed that the easements granted herein and to be granted hereafter are reserved as permanent easements for the purpose set forth and are not subject to the time limit applicable to other restrictions.

Section 8: There is hereby reserved a flood easement on each and every tract fronting on the shoreline of Lake Conroe and its tributaries or waterways including drainage-ways. This flood easement encompasses all land lying at and beneath the 207' elevation. Structures such as piers, docks, decks, other structures and utility buildings may be placed in this easement at owner's risk only, subject to approval of the A.C.C. and the San Jacinto River Authority.

No dwelling will be placed in this easement. Every dwelling placed on any lot in the subdivision must have a finished floor level of at least, no less than 208' elevation.

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The flood level in this subdivision is anticipated to be no more than 207' elevation; however, Developer and the P.O.A. hereby place each purchaser of property herein on notice that should flood waters exceed the elevation of 207' or come upon the lots herein at any elevation, Developer, its successors or assigns and the P.O.A. are not responsible therefore and purchaser in accepting the property subject to these covenants, does hereby release the Developer, its successors and assigns and the P.O.A. from any liability for any damages that may occur from flooding, at any level, of any property, subject to these covenants.

Section 9: There is hereby dedicated to the property owners in common and to any utility company serving these tracts with water, gas, electricity, cable TV or any other utility or service, an easement 25 feet in width adjacent and parallel to each boundary of the roadway easement described above in Section 4 of this Article II. This easement includes a 15-foot utility easement and drainage easement upon the ground, and a utility easement that extends to a width and height of 20 feet above the ground. This easement extends from each boundary of the roadway easement into and upon the adjoining property. There is further reserved an easement 40 feet into the property adjacent thereto solely for the purpose of installation of guy wires where necessary for securing utility poles. This easement is 5' on each side of each sideline only as shown upon the plat of record.

ARTICLE III ARCHITECTURAL CONTROL

Section 1: No external improvements or changes shall be erected, placed, or altered on any tract until the construction plans and specifications and a plan showing the location of the structure, and a complete plan of sewer lines showing relation to tract boundary lines and water lines has been approved by the Architectural Control Committee as to quality of workmanship and materials, harmony of external design with existing structures, protection of the environment, and as to location with respect to topography and finished grade elevation. Approval shall be as provided herein.

Section 2: The Architectural Control Committee is hereby authorized to enforce, any building or fire codes, or any rules, restrictions or requirements concerning the construction of buildings, sewer systems and water systems in this project, that have been made by any local, county, or state Authority, or otherwise, having the legal authority to make such requirements. It is further stipulated herein that the Architectural Control Committee is empowered to require fire walls to be constructed as wall sections in contiguous housing, should such type housing in the future be allowed, wherever said Architectural Control Committee deems that such requirement is necessary or beneficial to the safety and preservation of property or life. Such requirement would be made based on the requirements of municipalities of the area or some other standard code ordinarily pertaining to the construction industry.

Section 3: The Architectural Control Committee is composed of three persons appointed by the Board of the Property Owners Association, or by Developer in the interim. In the event of death, dismissal, or resignation of any member of the committee, the remaining members shall have full authority to designate a successor, subject to approval of the Association Board. Neither the members of the committee nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant except as is budgeted and approved by the Association Board.

Section 4: Procedure - The committee's approval or disapproval as required in these covenants shall be in writing. In the event the committee, or its designated representative, fail to approve or disapprove within thirty (30) days after complete and properly detailed plans and specifications have been submitted to it, provided such plans and specifications do not violate these covenants, approval will not be required and the related covenants shall be deemed to have been fully complied with; however, any building or improvements placed upon a lot herein that was not so presented to the Architectural Control Committee for approval prior to start of construction or placement will be in violation of these restrictions and may be removed by the Architectural Control Committee at the property owner's expense. If the P.O.A. pays for such removal, the cost, plus interest at 10% per annum, will become a lien upon the property upon payment of such cost by the POA. Said interest accrual shall commence on the thirtieth (30) day after written request for reimbursement of said cost is sent by POA to property owner.

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**ARTICLE IV
USE RESTRICTIONS**

Section 1: With the exception of commons or reserves, all tracts in this subdivision are designated as residential home sites for single family dwellings.

Section 2: Any dwelling constructed on said tracts must have a floor area of not less than 1000 square feet, including covered porches and exclusive of open uncovered porches, terraces, patios, driveways, carports and garages, and shall be constructed of at least standard frame construction. If any building is set on blocks or piers, it shall have an outside or perimeter beam of stone, natural rock, brick or concrete on all sides of the building. Any such structure must be completely dried in within 6 months of beginning of construction. The Architectural Control Committee, however, will have broad discretion in waiving the exterior beam requirement for split-level homes or hillside homes.

Section 2A: Any dwelling constructed on said lots must have exterior walls of cedar, redwood, pine or other natural wood boards or logs and must be stained and/or sealed for preservation and not painted, exterior walls may be made of exterior plywood provided the plywood is made to look like vertical boards and bats by applying bats to simulate 12" batted 1x12 boards. Exterior walls may be of logs or natural wood cut to simulate logs. Exterior walls may be all or part natural rock or stone, or upon proof of quality and permanence to the A.C.C. artificial stone may be allowed.

1. The purpose of this covenant is to maintain a natural and rural effect, therefore, any refinishing of the wood in the process of maintenance or restoration in the future must also conform to these covenants. All stains and sealers must be submitted to the ACC for approval.

Any dwelling constructed on said lots will be roofed with metal roofing or composition shingles colored dark green, brown, or another acceptable color to blend in with the countryside. Wood shingles, will be allowed.

Section 3: No structure of a temporary character, trailer, basement, tent, shack, garage, or other outbuilding shall be used on any tract at any time as a residence, either temporarily or permanently, except that a travel trailer may be used for occupancy for no longer than a week at a time while owner is completing construction on a home. However the travel trailer may not be stored on the lot when not occupied and in no instance will the trailer be left upon the premises unoccupied by owner. Outbuildings shall be permitted in the project. Storage buildings may not be utilized as residences on the tract. Any building of any type must be approved by the Architectural Control Committee before placement, construction or erection on the tract; and no other building may be constructed prior to the construction of the residence.

Section 3A: Outbuildings will be constructed of a design and materials in keeping with the style and quality of the dwelling on the tract. Plans and specifications must be submitted to the Architectural Control Committee and approved as herein set forth for all buildings and structures included but not limited to:

1. Sheds
2. Pool houses
3. Garages
4. All other structures including pens, fences and gates.

Section 4: No tract shall be used or maintained as a dumping ground for rubbish or trash, and no garbage or other waste shall be kept except in sanitary containers. All other equipment for the storage and disposal of such materials shall be kept in a clean and sanitary condition.

Section 5: Animals:

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Section 5A: No animals except household pets may be kept upon the premises – No Pigs.

Section 5B: No goats, sheep or livestock, including horses may be raised or kept on any tract, nor shall any tract be used to raise chickens, ducks or any fowl or emu.

Section 5C: No tract may be used to raise, house, or train dogs commercially, or keep any creature that may be noxious or offensive to the neighborhood as determined by the P.O.A.

Section 5D: There may be no activity or condition on any property that is noxious offensive or dangerous to the neighborhood, including but not limited to aggressive household pets.

Section 5E: "Noxious, offensive or dangerous" as used herein means a condition determined by the P.O.A. to be so.

Should an owner wish to appeal such a designation made by a board or committee of the P.O.A., that owner may call for a vote of the members of the P.O.A. In which case, the property owners will vote by ballot within 15 days of notice by the owner. Ballot may be by mail or in person at called meeting. Members may give their proxy to other members with or without instructions as how to vote. In case of such an appeal, the vote majority of the membership voting will decide. The POA or authority may impose a penalty upon the violator of no more than \$100.00 per day that the violation continues after the vote to remove it.

Any penalty assessed will become a lien upon the property of the violator from and after the date that the penalty is assessed. Penalties will be paid, plus 10% interest per annum legal fees, to the association for collection thereof. All income from penalties will be used by the P.O.A. for construction of community improvements.

Section 6: No abandoned or inoperative automobile, other vehicle or trailer shall be permitted to remain on any tract or in front of any tract. This is not to be construed to mean that personal boats in good and usable condition may not be kept on premises; however, boats, and utility vehicles of every nature must be kept in a garage. No vehicle with a carrying capacity in excess of 1 ton will be allowed to be parked on any lot, roadway or commons.

Section 7: Authority to remove trash, junk or garbage - The authority as created herein whether vested in the developer or the P.O.A. will have the right to enter upon the premises of any lot and remove noxious, offensive or unsightly trash, junk or garbage from said lot after having given the owner thereof written notice to remove same within 10 days after notice and owner's failure to do so.

Authority may, at authority's option, place the items removed into storage or dispose of same if considered by the authority to be of no real value. Should the item(s) be placed in storage, the lot owner will be responsible to pay storage and redeem same within 30 days by paying all storage & moving costs. If not redeemed the item(s) will be sold for charges.

If sale of items fails to cover cost of removal and storage, the authority may file a lien against the particular tract for cost of such removal and storage, plus 10% thereof.

Section 7A: Trash and Garbage Pick-up - Cost of this service will be established from time to time by the P.O.A. or Authority. Charges will be based on cost to the P.O.A. The P.O.A. may contract this service to a third party. Garbage fees will be in the form of an assessment.

Rules and procedures for disposition of garbage and trash will be as promulgated from time to time by the Authority.

Section 8: No commercial activity shall be conducted on any tract.

Section 9: It is hereby specifically stated that to rent space to campers, recreational vehicles, trailers, or other units for occupancy or storage or to maintain stables, kennels or space for rental to others is considered commercial operation for purposes of these restrictions, and is not permitted. However, an owner whose dues and assessments

are paid current may rent their home to another family but such rental does not relieve the owner from the obligations here under.

Section 10: No dwelling or garage or outbuilding shall be placed nearer to any property line than twenty (20) feet from the roads, or road easements, or five (5) feet from adjacent owner's property line, or in areas as shown on the plat of this section.

Section 10 A: No shed or outbuilding shall be placed nearer than thirty (30) feet from the front boundary line of a tract, nor nearer than thirty (30) feet from any boundary line of the tract that adjoins any commons, nor nearer than ten (10) feet from any other boundary line of the tract, nor nearer the front than the primary dwelling.

Section 10B: Lakefront lots will have no sheds or outbuildings placed within 30 feet of the shoreline, except as otherwise provided herein for boat houses, lifts, decks and docks. See Article IV, Sections 13, 13A, 13B, 13C, 13D, 13E, and 13F.

Section 10C: The Authority herein may issue variances on the location of houses or other improvements where, in its consideration, the variance will benefit the owner of the lot and will not adversely affect the neighborhood.

Section 11: All lot owners shall provide for the disposal of waste material through a central sewer treatment system approved by the appropriate governmental authorities. The sewer system will be a central plant installed by Developer or Developers' designee. No septic tanks are allowed. No outdoor toilets are allowed. No alternative systems are allowed.

Section 12: No lot, as platted in this section, will be re-divided, except that the developer, its successors or assigns, may replat tracts for better utilization and function. However, any such replat will be subject to approval by all governmental authorities having jurisdiction, and all purchasers of tracts herein hereby waive the right or necessity of approval and hereby appoint Developer, its succession and assigns as power of Attorney to execute any such plat in their stead.

Section 12A: No lot as herein platted or replatted will be utilized for more than one single-family residence.

Section 12B: For purposes of this Section of this project, single family residence means one detached, site-built residential house designed to be occupied by one family only and no more than one 2-car garage either attached or detached.

Section 13: Lakefront properties on Lake Conroe - Subject to any rules of the San Jacinto River Authority or another authority, owners of lake front property may install piers from their property into the lake. Such piers may not extend further than 6 feet into the lake or channel from the shoreline of the lot. Piers will not be more than 20 feet in length. No pier will be installed nearer to a side lot line than 10 feet. All such piers will be made of Penta Treat, wolmanized wood or wood treated with some similar preservative that is not in violation of any regulation of any authority over the lake, or may be constructed of concrete. Piers and docks may be constructed of flotation devices such as are approved by the San Jacinto River Authority or other agencies with authority over such matters. All such installation must be kept secured and in good repair and appearance and the plans and specifications therefor must be approved by the A.C.C. prior to installation.

Section 13A: Boat docks and piers may not extend more than 3 feet above the water level at 201' elevation.

Section 13B: Boat sheds may not extend more than 4 feet above the elevation of 201'.

Section 13C: Decks and walks may not be more than 18 inches above the ground level as established by the developer within 15 feet of the lake shore nor more than 36 inches above the ground as established by the developer within 30 feet of the lake shore, but over 15 feet therefrom.

Section 13D: Boat lifts must be submerged so as not to have mechanism exposed above the 201' water level and must not lift the boat more than 2 feet above the water level, or 2 feet above the 201' elevation, whichever is higher.

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Section 13E: Boat slips or boat docks must not be constructed so as to project out from the shoreline into the lake. Boat slips will be dug into the lot a distance sufficient to allow no more than 6 feet of the boat or slip to project into the lake from the shoreline as established by the survey or plat of the lot. No boat slip will be constructed near to a side lot line than 10 feet.

Section 13F: These restrictions do not allow bulkheading of the lot shoreline; however, bulkheading is required around the perimeter of any cut into the lot and bulkheading is permissible along the shoreline adjacent to a pier between the pier and the shoreline.

Section 13G: It is the purpose of these covenants to require the shoreline to be sloped into the lake and protected with grass and disallow any bulk-heading except as herein above provided. The Authority created herein, however, may in its sole discretion, upon determination that it is necessary for the preservation of the shoreline to modify the covenants that prevent bulk-heading and provide that bulk-heading of certain standards will be installed on all lots affected by the determination. In such instance, the Authority has the right to install or cause to be installed the bulk-head, to backfill as necessary, to install cables into the ground, and do all things necessary and required to secure the bulk-head, including the right to cross any lot to access the work area. The Authority herein will assess the property owners affected for the cost of such improvements as hereinafter provided for assessments.

Section 13H: Easement Maintenance of Lake - All lakefront or waterfront home sites in this subdivision are subject to our easement for access to the water to dredge, clean or otherwise maintain the lake or stream. This easement runs from the water's edge into and upon the property for a distance of 15 feet from the water's edge. All improvements allowed and constructed in this easement are placed therein at owner's risk.

Section 14: Rules governing size of craft and motors will be made from time to time by the P.O.A. as regards boats traversing the channels within the project, as well as speed limits of all water craft and activities within the channels.

Section 15: Firearms and other weapons - No firearm will be discharged in this subdivision and no other weapon such as a bow and arrow, spear, or pellet gun will be discharged in this subdivision.

Section 15A: Hunting is not allowed in this subdivision. Hunting however is allowed in the National Forest, subject to certain rules and regulations. A permit for hunting in the Forest may be obtained from the Forest Service office. (Subject to change and is not within the control of Developer or P.O.A.)

Section 15B: Feeding of wild life is permissible in this subdivision. Deer, bird, squirrel and other feeders may be installed in any lot by owners and on any commons or reserves by Developer or the P.O.A. **BEWARE:** Occasionally deer and other animals may become aggressive. Keep a safe distance even if the animal seems to be a pet.

Section 16: Oil and Mining Operations - No oil drilling or development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot in this subdivision.

Section 17: No culvert, bridge, or crossing may be installed by lot owners in the Commons right of way unless approved by the proper authorities and the Architectural Control Committee. Conformances to size and grade requirements are mandatory.

Section 18: No "For Sale, For Rent or Lease" signs will be placed upon any vacant lot or lot with house by individual lot owners, developers or any other person or entity. The Property Owner's Association or authority as created herein has the right to remove and dispose of any such signs. No other signs are permitted without approval of the Architectural Control Committee. However, general rental and sale signs may be placed at Developer's office within the subdivision, and builders' for sale signs are allowed on new homes; however, they may not exceed 24" x 30".

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Section 19: Prior to beginning construction on any house or building on any lot herein, owner will install a driveway from street to slab of at least four inches (4") of compacted rock, gravel, crushed limestone or better to prevent tracking of mud onto the streets.

Section 20: Should any property owner herein violate these covenants and restrictions, and should such violation continue for fifteen (15) days after written notice of said violation is sent to the property owner, then the developer, the property owners association and the authority created herein are hereby granted authority and, the power to file suit to enforce compliance. The association and authority will be empowered to charge as a special assessment all costs of time and expenditures, including legal fees, member's time, meeting fees, cost of removal of improvements in violation, and all related expenses. This special assessment will attach to the tract upon which the violation occurs and will become a lien as provided in these covenants for assessments and liens.

Section 21: Any on-going violation may be prosecuted on an on-going basis with the goal of the Property Owners Association being to have the violation corrected by whatever means is necessary. Property Owner's Association removal of violations is authorized at the property owner's expense.

Section 22: Special Easements - Each tract sold herein is sold subject to easements lying beneath the access road, and the commons trail, if any, for any purpose of serving the lots with utilities and drainage.

These special easements for commons, and vehicular access will be maintained as commons, as provided herein, be promulgated by the P.O.A. from time to time. All roadways, parks and recreational facilities dedicated to property owners are commons.

Section 23: Use of all commons is subject to Developer or P.O.A. whichever is vested with the authority created therein, making and enforcing Rules of Use.

Section 24: Use of all commons is subject to Rules of Use promulgated from time to time by the authority as created herein.

Section 25: No 4-wheelers, no dirt bikes, and no vehicles operated by unlicensed persons, will be allowed to operate upon the streets, commons or premises.

Section 26: Limited Use - The purpose of these covenants include the assurance to property owners herein of the uninterrupted use and enjoyment of the property, and the preservation of the value thereof, as well as the perpetuation of the use of the property for the purpose of ownership as a first or second home and resort property, as well as a "retirement home" for men, women or husband and wife couples.

The Authority herein may issue a variance or extension in writing as pertains to the requirement of the above paragraph solely in the desecration of said Authority.

Section 27: Clotheslines - There will be no clotheslines installed on any lot and clothes or linens will not be hung outside to dry.

Section 28: Pets - All animals including cats, dogs or other pets, must be kept inside the house, in a fenced area or on a leash, secured on the owner's lot and not allowed to run loose upon the property of others, nor on the streets or commons.

Section 29: Air Conditioning - Window units are not allowed. All air conditioning units will be central units, ducted to vents. No air conditioning units will protrude from windows or other openings.

Section 30: Antennas and Discs - Any external device for receiving television, radio or other signals will be subject to approval by ACC or Authority. No such device in the form of a dish will be allowed if the dish is more than 24" in diameter, unless a specific variance is issued with reason by the Authority.

ARTICLE V
OWNER'S OBLIGATION TO REPAIR

Section 1: Buildings - Each Owner shall, at his sole cost and expense, repair and maintain his residence, and other buildings on his tract, keeping the same in a condition comparable to the condition of such building at the time of its initial construction, excepting only normal wear and tear.

Section 2: Grinders and Sewer Pumps - Each dwelling in this subdivision will have installed by owner an individual grinder and pump to service the dwelling in pumping sewer into the sewer system for treatment. The owner of the dwelling will be responsible for the continued operation and maintenance of the grinder/pump in a manner to ensure against failure.

Should the grinder/pump unit fail in its operation, owner will immediately replace same with a new unit of comparable capability and quality. Should owner fail to do so within 24 hours or less, if threatening to the health and welfare of the neighborhood, then the utility company providing sanitary sewer service is thereby authorized to replace the grinder/pump unit and charge against owner and the property the reasonable cost of services and the grinder/pump unit.

ARTICLE VI
MEMBERSHIP IN ASSOCIATION: VOTING RIGHTS

Section 1: Membership - Every Owner of a tract or condominium shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of a tract or condo.

Section 2: Votes Developer - For purposes of voting, Developer/Declarant will be construed as an owner and member with the same voting privileges of one (1) vote per lot owned, and a fractional vote for a fractional ownership, and Developer is also entitled to one vote for each lot sold so long as Developer retains a financial interest or any ownership in this development.

Section 3: Votes Per Member - All Owners shall be entitled to one vote for each full lot or condo owned and a fractional vote for a fraction of a lot owned. When more than one person holds an interest in a given tract or condo, all such persons shall be members and the vote for such tract shall be exercised as they may determine among themselves. In no event shall more than one (1) vote be cast with respect to any lot or condo owned by such members.

Section 4: Voting Procedure - Unless voting by petition is specifically prescribed herein, votes will be by ballots. Otherwise, all votes will be by ballots mailed to the last known address of each member per the records of the Association. These ballots must be mailed back by the member to a certified public accountant designated by the board. The public accountant will tally all votes and certify the results to be true. Each vote will be identified by a lot, block and section number, stating the lots owned and the number of votes represented thereby.

Any ballot vote must allow no less than a 30-day period between mail out of ballots and the return of mailed ballots.

Section 5: Boards - The Association and any Special Association shall be governed by and act through a Board of Directors. Declarant shall initially appoint a five (5) member Board of Directors for the Association with terms running one to five years, who shall serve until their respective terms expire and their successor is elected. Declarant shall initially appoint a three (3) member Board of Directors for any Special Association, with terms of office running from one to three years, who shall serve until their respective terms expire and their successor is elected. On the anniversary date of such appointments, and on the same date of each following year, the members of the Association or Special Association shall meet for the purpose of electing a member or members of the Board of Directors for that year as set forth herein. Such Board of Directors shall have the full powers and duties as may

be reasonably necessary to carry out the purposes and duties of the Association as provided herein. All Board members' terms shall be for one (1) year with the exception of the initial Board members appointed by Declarant. The above stated term and election date may vary fifteen (15) days before or after said date at the option of Board. Mail ballots will be provided for all voters who may return the ballots within the prescribed time and manner or who may bring the completed ballots to the above-mentioned meeting. The person receiving the most votes shall be declared the winner. If two or more positions are being filled, then the persons receiving the most votes shall be declared the winners.

ARTICLE VII ASSESSMENTS

Section 1: Declarant hereby covenants for each tract within the project, and each Owner of a tract is hereby deemed to covenant by acceptance of his contract or deed for such tract, whether or not it shall be so expressed in his contract or deed, to pay to the Association (1) annual assessments, and (2) special assessments for capital improvements. Such assessments will be established and collected by the Board as hereinafter provided. The annual and special assessments, together with interest, and with costs and reasonable attorney's fees incurred to collect same, shall be a charge on the land and a continuing lien on each tract against which such assessment is made. Each assessment, together with such interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person or persons who owned the tract at the time of the assessment. By a successor in title's acceptance of a contract or deed for such tract when assessments are due, such personal obligation shall pass to the successors in title whether or not expressly assumed by them. However, the first owner liable will not be relieved of liability thereby.

Section 2: The annual assessments levied by the Board of the Association shall be used exclusively to promote the health, safety, welfare, and recreation of the residents of the project, and for the construction, improvement and maintenance of the commons, drainage and irrigation systems, or community facilities and private or public roads and roadway easements or rights of way within the project. The provision for maintenance of public roadways is made herein only in the case that the county, city, state or other public entity responsible therefor should fail to maintain said roadways properly. However, there will be an assessment for maintenance of private roads in this section as set forth herein. Furthermore access to this project is over a forest road and assessments will include the cost and maintenance of this forest road.

Section 2A: Although the channels in this project are property under the ownership and the supervision of the San Jacinto River authority and are not the property of the lot owners herein, the developer or the P.O.A., it is understood that dues and assessments may and will be used to maintain these channels in depth and width and to remove any obstacles to navigation thereof, and to perform any other work deemed necessary by the Authority for the benefit of lot owners herein.

Section 3: In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year, but only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of the commons or a capital improvement to the Project or any designated private roadway or public roadway within or giving access to project. Any such assessment must be approved by a majority of votes cast by members, in a manner of voting as herein prescribed by ballot.

Section 4: The Association's Board of Directors shall fix the amount of the annual assessment against each tract at least thirty (30) days in advance of the due date thereof and shall fix the dates such amounts become due. Assessments may be made payable monthly. Notice of the annual assessments shall be sent to every Owner subject thereto. The Association shall, on demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association, setting forth whether the assessment against a specific tract has been paid, and shall on or before February 15th of each year, cause to be recorded in the office of the County Clerk of the County, a list of delinquent assessments as of that date setting forth and establishing the amount of the lien therefor. Failure to record such list by such date shall not affect the validity of such lien. Said lien shall arise and become effective on the date of the assessment, and shall be automatically extinguished and released upon full payment of the assessment and related charges or expenses.

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Section 5: Any assessment not paid by its due date shall be deemed in default. Any assessment not paid within thirty (30) days after the due date shall bear interest from the thirtieth (30th) day after the due date at the highest legal rate per annum. The Association, acting through its Board of Directors, may bring legal action against the Owner personally obligated to pay the same, and/or may foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common areas, community facilities, roadway easements, or abandonment of his tract.

Section 6: The assessment lien provided for herein shall be superior to the lien of any mortgage hereafter created; provided that if this document is an amendment or supplement to a prior Declaration, then this document hereby extends and renews the priority or perfection of such assessment lien created in such prior Declaration. A sale or transfer of any tract shall not affect the assessment lien. The sale or transfer of any tract pursuant to a mortgage foreclosure or any proceeding in lieu thereof shall not extinguish the assessment lien as to any assessment made, or any payments, which become due, prior to such sale or transfer. No sale or transfer shall relieve such tract from liability for any assessments thereafter becoming due or from the lien thereof, except as otherwise provided herein in Section 12 of Article VIII. However, any lender, investor or purchaser, without further pursuit of diligence, may rely on a certificate executed by the president and attested by the Secretary of the Association certifying the status of dues, assessments or liens.

Section 7: Any expenses of any suit brought by the Association and/or Declarant herein, and any expenses of defense of any suit brought against the Association, its officers, or directors, and/or Declarant, in regard to the administration or enforcement of these covenants shall be borne by the Association and the Association shall have and hold any rights to recovery of such expenses.

If the Association, its officers, or directors, and/or Declarant prevail in any suit brought against them by any Owner in the project with regard to the Association or Declarant's administration or enforcement of these covenants, then such defendants are entitled to recovery and judgment against the suing owner for their costs of suit, including but not limited to, expert witnesses, attorneys, appraisers, surveyors, and litigation expenses. The amount of any such judgment obtained for damages or cost shall automatically become a lien against the judgment debtor's property in this Project upon entry of such judgment. Otherwise, this lien will attach to such property as prescribed by law.

Section 8: Each Owner in the Project agrees that should suit be brought by Declarant and/or the Association to enforce performance of the covenants or to collect assessments, the suing party will be and is entitled to judgment for damages and all costs of suit, including but not limited to expert witnesses, attorneys, appraisers, surveyors, and court costs, should the suing party prevail.

The amount of any such judgment obtained for damages or cost shall automatically become a lien against defendant's property in this Project upon entry of such judgment. Otherwise this lien will attach to such property as prescribed by law.

Section 9: It is specifically stipulated that should Developer, its successors or assigns foreclose on any property sold under deed or contract, such property will revert to the status of Declarant's inventory free of the obligation of any accrued and unpaid assessments or costs and/or liens therefor that became due or were incurred prior to such reversion. Any such liens of records will be released by the appropriate officer or officers of the Association upon presentation of release thereto by Developer. Upon failure of such action by said authority, or in lieu thereof, Developer may file a release executed on and by its own behalf (and send a copy to the Association's President), which will be conclusive evidence to all persons that such lien is thereby released, unless the Association acting within its authority files a proper court action to invalidate said release within thirty (30) days after recordation. Furthermore, see Section 13 of Article VIII herein.

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ARTICLE VIII
NOTICE OF AUTHORITY FOR ASSESSMENT

Section 1: Each interested party or purchaser of a tract or parcel of ground in this Project is hereby made aware of the fact that some of the roadways within the Commons are dedicated, or will be dedicated, to the use of the property Owners herein, their guests or tenants, and are not dedicated to the county, any municipal body or public authority nor to the public. Such purchaser or other interested party is hereby given notice that the maintenance of such Commons roads, county roads, or National Forest roads, if any, where deemed necessary by the Authority, and of other designated areas and facilities, called common areas, and the payment for Security Guards and Patrols, if any, garbage pick-up and other conveniences deemed necessary and requisite to the pleasure, comfort, security and enjoyment of the Property Owners in this Project, will be provided for through an assessment or assessments, as the case may be, to be levied against each and every tract or parcel of land in the Project that will benefit from the use of common areas and common facilities, such determination to be made by the Authority created herein. Determination of pro-rata assessment will be on a tract basis.

Section 2: Agreement - Each purchaser of a property in this project hereby agrees that Wildwood Shores Property Owners Association, as created and chartered by Developer, existing or to become existing under the laws of the State of Texas, has the authority, and in consideration of the necessity of such an authority, to administer the assessment funds and attend to the management and maintenance of all common areas, services and facilities in said project, and does hereby grant and give unto the said Association, its successors and assigns, the authority to levy and collect assessments as necessary, and to expend said funds as necessary, subject to the requirements as herein set forth, for the purpose of the maintenance of all facilities and areas and services as herein described. Until such Association is formed, this authority is vested in Developer.

Section 3: Commons - It is herein stipulated that designated common areas may be used for any purpose required or deemed by the Authority advantageous to the property owners in the project, such purpose to include, but not be limited to, the installation of any or all utilities, and dedication of such easements and rights of way as deemed necessary by said Authority. Such dedications may be made upon a plat thereof or by separate instrument in writing and such dedication may be made at the discretion of the Authority at anytime, present or future. The Authority may allow the installation of any utility main or service extensions in said Commons by letter to or formal agreement with the utility company, or may allow installation of service lines from utility main to dwelling or outlets by oral approval. Any such installations made will be considered approved if the Authority has not ordered such installation halted prior to completion thereof.

Commons may be of several categories:

- (a) Dedicated commons are those commons owned or to be owned by the Association through dedication upon the plat or by separate dedication by other recorded instruments of conveyance.
- (b) Easements as commons for community use by the property owners are those commons dedicated upon and across various lots, tracts and parcels of land, shown as easements and/or commons on the plats thereof and/or as cited in separate instruments of record or to be placed of record.
- (c) Leasehold commons are those commons not provided as easements or dedicated as fee commons, but are shown as leasehold. Leasehold commons are provided for the use of property owners under the terms and conditions as set forth in the lease agreements.
- (d) Temporary Commons are those commons designated on a plat as such or upon the ground as such and may be commons utilizing land being held for future development or as timberland forest by Developer. Temporary Commons may be moved or eliminated at the sole discretion of Developer.
- (e) Limited Commons are those commons or easements or licenses limited to a common area servicing a specific area in the project, including without limitation, water supply Commons.
- (f) Access commons are access roads not owned by the P.O.A. or Developer for which outside maintenance is inadequate or non-existent.

Section 4: Effective Date of Assessments - Any and all levies for any or all purposes as herein set forth may be made and begun at an appropriate time as will be determined by the Authority. Said action may be made to

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affect, at different times, any sections or tracts, and levies for maintenance of various areas may be made or begun at different dates, and are not required to be made simultaneously.

When such determination is made by the Authority, notice will be given to the Owners of such properties affected, and all of said Owners shall then be required to pay said assessments to the Authority.

Section 5: Handling of Assessed Funds - It is specified herein that all funds collected by the Authority for maintenance and services of commons, or for capital improvements will be kept in special bank accounts or savings account for each particular purpose, to be used only for the purposes as herein stated, and an itemized account of all receipts and disbursements will be mailed annually to all property owners in said project.

If, at any time, the Owners of fifty-one percent (51%) or more of the tracts affected by an assessment desire that the fund so established and the books and records pertaining thereto be audited, then said Owners may, by affixing their signatures to a petition, cause such audit to be made by delivery of the petition to the President of the Association. Such petition will cite the account by its proper identification and shall stipulate the name of a Certified Public Accountant who shall make such audit and the date that such records shall be made available to said Accountant. The Authority will then be compelled to make such records available to the named Certified Public Accountant in the offices of the Authority or other place at the discretion of Authority, and will be authorized to pay to such Accountant reasonable accounting fees for said audit from the funds of the account so audited.

Section 6: Establishment of Amount of Assessment - The Authority, in initially setting the monthly levy or assessment for any purpose stated herein, will do so on an estimated basis determined by a study of the requirements of said purposes. Said amount so levied may be changed from time to time as necessary to pay the allowed expenses as herein set forth. Should said assessment prove to be more than needed for such purposes, then, the Authority may reduce said levy accordingly, or carry forward such excess to be used to decrease the amount of future assessments.

Section 7: Special Assessments - The Authority will have the right, privilege and powers to levy special assessments as may become necessary for purposes as required and authorized herein. Such special assessments would be made on the same pro-rata basis as hereinabove set forth and paid to Authority as prescribed by said Authority. Upon the approval of the Owners of fifty-one percent (51%) of the lots subject to any special assessment, such special assessments may be made for the purpose of the construction or reconstruction of any desired improvements in the Common areas for the use and benefit of Owners of the tracts subject to such special assessment.

Section 8: Collection of Assessments - The Authority will have the sole responsibility and authority to collect all assessments. Such assessments will be levied on a monthly basis and Authority will have the power to allow certain reasonable discounts to Owners paying said assessments semi-annually or annually in advance. Authority will have the power to add to such assessments appropriate and reasonable penalties against said Owners for delinquency in payment of assessments, as well as the other remedies set forth herein.

Section 9: Delinquent Assessments - Any Owner being delinquent in the payment of any assessment will have filed against his property a lien for such assessment, plus any penalties and costs. Such lien shall remain in effect until all past due assessments, penalties and costs have been paid or satisfied as otherwise set forth herein.

Section 10: Enforcement of Liens - Each lien established by the Authority pursuant to the provisions of this instrument may be enforced by recording with the County Clerk of this county a notice of delinquency and lien upon said property, and may be foreclosed in the same manner as provided for the non-judicial foreclosure of a mortgage upon real property under the laws of the State of Texas. In any action to foreclose any such lien, the Authority shall be entitled to costs, including reasonable attorney's fees, and other allowed costs and penalties. The Authority may employ any other process available under the law for collection.

Section 11: Reservation of Liens - The Authority does hereby reserve unto itself and establish and impose upon the Property in the Project, a lien securing each assessment imposed or to be imposed, or in any way provided

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for herein, and further securing any costs, interest, or penalties (including attorney's and expert's fees), subject only to any limitations and/or provisions in this instrument.

Section 12: Subordination to Mortgage - Each and every assessment and lien, together with any cost, penalties or interest related thereto, established, reserved or imposed under this instrument and authority shall be subordinate to any prior, recorded, valid, bona fide mortgage or trust deed (and the lien and/or title thereof) which has been given in good faith and for value on any interest in any tract covered by this instrument and authority. Any subsequent Owner of any property so covered, purchased at foreclosure or otherwise, shall be bound by restrictions, conditions, covenants, reservations, assessments and liens set out in this instrument, excluding any assessment or lien arising prior to a foreclosure sale brought about by a lender under any valid, bona fide mortgage or trust deed. A valid, bona fide mortgage or trust deed for purposes of this document is one given for funds applied to the purchase of, or improvements of, the property upon which the lien is created. The lien for assessments is also subordinate to future liens as set forth in Section 13 following.

Section 13: Developer Exemption - The Developer of this project, its successors and assigns, hereinafter called Developer, will sell to purchasers properties within said project. It is specifically stated and agreed that if one or more tracts or parcels of land are sold to any purchaser by Developer, by contract for deed, or deed with lien and note or other instrument, and purchaser defaults in payments due under said instruments in any manner, such as failure to pay principal, interest, taxes, insurance or assessments set out hereunder, and said property be repossessed, or such contract canceled by Developer or by any assignee of Developer's right, title and interest in any such lien or contract, then Developer or said assignee will not be required to pay to the Authority any delinquent or past due assessments, costs, interest, or penalties, and any liens for non-payment of same filed by said Authority are deemed released as regards such property. Evidence of such cancellation, repossession or foreclosure will, in and of itself, be sufficient to effect such release. No further release or action will be required by the Authority for this purpose; however, this stipulation does not, by any means, relieve the purchaser in default, who failed to pay such assessments and/or penalties and cost, and from whom said property was repossessed, of his personal liability to pay such delinquent funds. This provision does not affect the rights of the Authority, as a creditor, to pursue other remedies and liens against persons other than Developer and against property other than property owned by Developer.

Section 14: Rules and Regulations Governing Use of Commons and Facilities Therein - Rules and regulations governing the use of all commons and facilities will be made and enforced by the Authority, to insure the best and mutual enjoyment thereof of all qualified property owners and their guests. Any Owner who fails to pay assessments or fails to comply with any requirements or rules and regulations governing the use of said commons and facilities will be denied the use thereof. Such rules and regulations will include, but not be limited to, rules concerning guest privileges to use of commons and any recreation facilities; speed limits on streets; type of vehicles on streets and other commons; control of noise; use of irrigation water, channels or canals; use of any lakes, ponds or streams within the commons; and use of water from a limited commons.

Section 15: Delegation of Use of Facilities - Any Owner may delegate his right of enjoyment to the common areas and facilities to the members of his immediate family, his tenants, or contract purchasers who reside on the property.

Section 16: Maintenance of Tracts - The Owner of a tract or tracts in the project will be required to keep said property free of any unsightly or offensive accumulation of trash, garbage, or unsightly deposits of any nature or kind from the date of purchase of said tract. This requirement is effective on occupied and unoccupied tracts. Ten days after written notice to Owner of such situation existing, the Authority herein created or its employees will have the right and authority to enter upon said premises and correct any existing violation of this section. Such Authority will charge said Owner a reasonable fee for such work accomplished and bill said Owner for said fee, plus a reasonable service charge per month, for each instance, until Owner pays said Authority in full as billed. All monies so owed the Authority will become a special assessment against the property of owner and will be secured by a lien on said property in the same manner as a lien for special assessments.

Section 17: Exterior Maintenance of Buildings - In the event the owner of any building in the project should allow such building to fall into disrepair, or to become in need of paint, repair, or restoration of any nature, or to be in need of other corrective measures, or to become unattractive and not in keeping with the quality of the

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neighborhood, then the Authority will give such owner written notice of such conditions. Fifteen (15) days after notice of such condition to owner, and failure of owner to begin and continue at a reasonable rate of progress to correct such condition, the Authority may enter upon said premises to do or cause to be done any work necessary to correct said situation. The owner thereof shall be billed for said cost plus ten percent (10%). All monies so owed the Authority will become a special assessment against the property of owner and shall be secured by a lien on such property in the same manner as a lien for special assessments.

Section 18: The Authority herein created is empowered by the Owner of each tract or dwelling in this Project, to contract with a utility company for the operation and maintenance of street lighting in this Project and to pay for security lights installed in Commons at the rate of \$2.00 (two dollars) per month to be paid in cash or added to such owner's electric bill each month. This fee may be adjusted up or down in accord with the rates of the utility company. The Authority may include funds for said lights in the general assessment.

Section 19: Notice - In all instances herein where notice is required, notice will have been given upon depositing said notice in the United States mail, proper postage prepaid, addressed to the last known address of such person or party (according to the records of the Association) to whom notice is to be given.

Section 20: It is specifically agreed by each purchaser and stipulated herein that the Developer, its successors, and assigns will have the right of use of all commons. Such use will be allowed for the purposes of promotion and sale of property by said Developer and will include the right of Developer to issue passes and permits to guests or prospective purchasers of property and Developer's employees to use and enjoy, for limited periods, such commons, facilities, and services. This right is reserved unto the Developer, its successors, and assigns so long as said Developer owns land in the Project and any address thereto, and is marketing same.

Section 21: It is fully understood that Developer is subject to the same payments created herein per lots owned, as is any other Owner; save and except accrued but unpaid or past due assessments, costs, penalties and interest on or related to those lots or tracts foreclosed on by Developer or received by Developer as the result of canceling a contract. However, it is fully understood that Developer may make such payments, including in advance, in the form of payments for improvements, maintenance, repairs, leases, and rentals, and property donation at market value (collectively, "contributions"), and will receive full credit against assessments for such contributions. Such contributions shall accrue interest at twelve percent (12%) per annum on such funds and market value of property contributed until such funds or value are charged against by the Authority. Each year the Authority will charge against such contributions and any accrued interest thereon the amount of any assessments due by Developer, and shall carry forward any credit balances to the next and ensuing years. Should Developer have a credit balance remaining after sell out of the total project of all sections, such credit balance will not be a charge to the Association, but will, in fact, be written off by Developer.

Section 22: Should Developer; however, own completed unsold dwelling units and rent same, then Developer will pay the same dues and assessments hereron as other lot or condo owners. The tenants of such units will not be members of the P.O.A.; however, they will have all the rights and privileges of membership, as pertains to the use of facilities.

Section 23: Tenant use of facilities. Should an owner of any lot or condo rent their unit, whether on a daily basis or to long-term tenants, the tenant will have access to all the commons, facilities, and amenities in the project, to which owner is entitled. The owner will not have the right to the use of commons and facilities, if their property is rented out to a tenant, except that if an owner owns more than one lot or condo and at least one is not tenant occupied, the owner will enjoy owner use benefits under that property.

Section 24: Condominium Units. Owners of a condominium unit will pay the same assessments and dues as the owner of a lot and will be members of the association the same as a lot owner.

Section 25: Condominium Owners will have their own additional P.O.A. to facilitate maintenance and operation of the condo units as set forth in the declaration of Condominium Documents.

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Section 26: Condominium Sites. Condominium sites are not subject to the same covenants as set forth herein for location of improvements on the lots. Covenants therefor will be as set forth in the recorded documents creating the condominium.

Section 27: Garden Home Sites. Garden home sites are not subject to the same covenants as set forth herein for location of improvements on the lots. All covenants for Garden Homes, as pertains to location, will be the same as for single family houses, except that one property line will be designated as a "0" lot line and the home may be constructed on that line as per the map or plat and any additional covenants recorded for "0" lot line or Garden Homes.

ARTICLE IX UTILITY STANDBY CHARGES

Section 1: The Association or the Developer shall have the right to establish utility standby charges and in such case there shall be levied against every individual tract, severally, a standby charge not to exceed the exact cost per month to the Association or utility. Such charge shall be fixed from time to time by the Board of Directors of the Utility Company or the Authority, which charge shall be due and payable in monthly installments in advance, or as otherwise required; and the payment of such standby charge or charges shall be and is secured by a lien hereby created on each individual tract. The Authority does hereby reserve unto itself, its successors and assigns, and establish and impose, a lien securing the assessment as herein set forth for the prescribed utility standby charge.

Section 2: This lien may be foreclosed upon, after written notice of delinquency to the Owner of any tract, as and in the same manner as provided for the non-judicial foreclosure of a mortgage upon real property under the laws of the State of Texas. Any such foreclosure will entitle the lien holder to reasonable attorney's fees and other allowed costs and penalties. In addition, the Authority may pursue any other procedures of collection as may be provided under the law.

Section 3: It is specifically stated herein that all property held by the Developer, its successors and assigns for sale or resale within this project is hereby totally exempt from any and all of the requirements of this Article and no lien shall become effective on any of Developer's property until said property is sold to individual tract purchasers by contract or deed.

Section 4: Such standby charge, the liens securing the payment thereof, and the right and responsibility for the enforcement thereof, are hereby reserved unto and given over to the Association. The right of the Association to levy such charge, and the creation of all liens securing the payment thereof, except for delinquent payments and liens securing same, shall be released and discharged automatically (without further action) on any tract upon the conveyance of that tract to the initial person or persons who will reside on the property, the completion of a dwelling or residence on the property, and connection to the utility with continued service. Such completion may be evidenced by the creation and recordation of the first lien mortgage or deed of trust on the improved property or by the execution of a release by the holder of said lien or by the Board of Directors of the Association of the lien created hereunder to secure the standby charge; however, prior to same, any and all due or past due charges and fees must be paid in full.

Section 5: The Association may assign or pledge to any utility provider this right of assessment and security for standby charges. In such instance, the standby charges will be set at a rate in conformance with published or approved tables of any state agency or authority, if any. In the absence of such agency or authority, the rates will conform to normal and usual rates. This authority granted and created in this article is reserved unto Developer, its successors or assigns, until the creation of the Association is accomplished at which time the then position of Developer will be assigned to the P.O.A.

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Section 6: Should a state approved central water system be provided in the subdivision with adequate volume of potable water served to any lot, then the purchaser(s) of said lot(s) will be obligated to connect to the system, be subject to any standby fee, and all other fees, and may not drill or operate a water well for any use. Developer/Declarant herein has the sole and exclusive right to install a central water system and may transfer this right to any other entity at Developer's sole discretion.

Section 7: Should a State approved central wastewater gathering and treatment system be installed in this subdivision, then every lot herein with a dwelling constructed thereon will be required to connect to said system. It is contemplated that such system will be constructed by developer or developer's designee at developer or designee's expense. It is contemplated that such system will require a grinder and pump for each dwelling to access the system. Such on-site equipment will be at the expense of the lot owner. Tap fees and service fees will be at rates approved and published by the State of Texas.

ARTICLE X LAW ENFORCEMENT AND STREET RIGHTS

Section 1: Traffic Law - Notwithstanding the fact that vehicular access and the commons in this project are not dedicated to the public (as opposed to the property owners in the project), it is hereby stipulated that the County Commissioners Court or other public governing body will have the full authority to establish speed limits or other traffic laws and rules, and penalties for violation thereof, upon the streets of this project, and the law enforcement officers of the County or of the State of Texas or any other official body having such authority, may enter upon this project to enforce such laws the same as if said access commons were public roads.

Section 2: Public Law - Notwithstanding the fact that Commons in the project are private and dedicated and made available only to the property owners within the Project, it is hereby stipulated that any law enforcement officer (City, County, State, or Federal) is hereby authorized to enter upon the premises of the Project for all purposes just as though the Project Commons were dedicated to the public, and every law enforcement officer will have the same rights, privileges and duties within the boundaries of this Project as he would have in any project where the streets and other commons and facilities are dedicated to the public.

ARTICLE XI GENERAL PROVISIONS

Section 1: Declarant, the Association, or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, and easements, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by Declarant, the Association, or by any Owner to enforce any covenant or restriction herein shall in no event be deemed a waiver of the rights to do so thereafter.

Section 2: Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 3: Covenants and restrictions of this declaration may be amended by duly recording an instrument with the Walker County Clerk, executed and acknowledged as approved by the Board, upon the vote of not less than seventy-five percent (75%) of the lots in the project provisions. All votes will be as prescribed in Article VI hereof.

Section 4: No breach of any of the provisions herein contained by reason of such breach shall defeat or render invalid the prior lien of any mortgage made in good faith and for value as to the Project or any tract therein; provided however, that such conditions shall be binding on any Owner, whose title is acquired by foreclosure, trustee's sale, or otherwise.

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Section 5: 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 any member thereof for a period of twenty-five (25) years from the date of recording of the original Declaration, and thereafter shall continue in effect for additional, successive and recurring periods of ten (10) years, unless they are canceled or amended by written vote by the then Owners of at least seventy-five percent (75%) of the lots in the Project as set forth herein under Article VI.

Section 6: Without complying with Section 3 of this Article, declarant shall have the right during the term of this Declaration to add any tracts to the real property covered by this Declaration. The Owners of the tracts within such added portion shall become members of the Association on the same terms and conditions, and subject to the same restrictions, as apply to Owners of tracts within the original Project, except that Developer may impose additional restrictions on such additions, including increase or decrease in size of improvements, land use, set back lines other requirements considered by Developer to be beneficial to the best use of the property then being developed.

Section 7: Resale Limitations - Should any owner herein, except Developer, its successor, or assigns, wish to sell a property subject to these covenants, then the owner must first obtain a firm offer therefor at terms acceptable to owner and agree in writing to the sale, subject to the requirement that the property first be offered to the P.O.A. at the same price and terms. The P.O.A. will then have 15 days to accept or reject the offer. Should the P.O.A. accept the offer, the transaction must be closed within 45 days of acceptance, or as otherwise provided in the contract between Seller and prospective purchaser. Should the P.O.A. reject the offer then the owner may proceed to close the sale with the purchaser under contract at that same price and terms originally offered in the contract, but only to that party.

Section 8: Variances - The authority as created herein, will have the power to issue a variance as pertains to these covenants, only in individual instances; and only when the authority determines it is necessary and prerequisite to the use of the property; and is beneficial to the other land owners; and/or is at least not detrimental to the other landowners.

ARTICLE XII RENTALS

Section 1: Rentals - Any owner of a house in this project may rent that house to outside families subject to the following:

- (1) The house must be complete with operational toilet and plumbing fixtures and facilities connected to the approved wastewater gathering and treatment system.
- (2) The house must be connected to the central water supply system.
- (3) The owner must be current on all dues and assessment payments.
- (4) The P.O.A. or developer will be informed of lease term and of the time and move in date, by fax, phone, or U.S. mail 5 days in advance, even if the rental is for a weekend, week or up to 1 month.
- (5) All tenants must present a letter of permission to occupy the premises signed by owner upon entrance and present personal I.D. and obtain visitors permit. P.O.A or developers staff will issue to each tenant guest a family I.D. and information package acquainting them with project services and facilities available as well as Lake Conroe and the National Forest. The P.O.A. or Developers staff will charge a minimal fee for issuance of this material. Fee will not exceed cost, plus 10% or \$5.00 per tenant/rental, whichever is most.

Section 2: Liability - The owner renting or leasing a house will be responsible for tenants' behavior and compliance with P.O.A. procedures and rules, as well as for tenants' damage to persons or property.

A TRUE COPY
I HEREBY CERTIFY, JAMES D. PATTON
COUNTY CLERK WALKER COUNTY
BY Melba High DEPUTY

ARTICLE XIII
FRANCHISES

Section 1: Reservation of Franchise rights to Developer - Developer Suntex Fuller Corporation hereby reserves unto itself and its successors and assigns all rights to exclusively maintain and operate, on or to contract, for the maintenance and operation of, the following franchises:

Section 1A: Marina Franchise - As the sole and exclusive franchisee therefor: to own, lease and operate a marina, both public and private; to rent boat stalls, boat slips and other space to owners herein and guests; to sell boating and fishing equipment and supplies, as well as other items, including food and beverage.

Section 1B: Guest Rental Franchise - To have the exclusive right to rent to the public any houses, cottages or cabins belonging to owners herein. This is not to preclude the rights of owners to rent their own houses, cottages or cabins. NO owner or other person will have the right to rent premises of any other owner to any person.

Section 1B.1: Should Developer or its assignee operate such franchise, Developer will maintain a continuous promotion and effort to rent owner's units for weekends and weeks as instructed by owners who place their units in rental management. Rentals charged will be in keeping with similar rentals in similar circumstances and developments. Fees charged by developer for services rendered will be reasonable fees as compared to other resort developments.

Section 1B.2: Developer may give special rates to customers only with owner's permission; otherwise, Developer must pay the discount to owner.

Section 1B.3: Developer or Franchisee will have the right to accept or reject houses to be rented based on the quality and maintenance of the house, non-payment of assessments, or any reason or without reason solely at the discretion of the Developer or Franchisee.

Section 1B.4: The reservation of this Franchise is in no way a guarantee that owner's house will be rented on a regular basis or at all, and any prospect or owner is hereby advised not to agree to purchase a house in this development in anticipation of any rental income therefrom.

Section 1B.5: Developer reserves the exclusive right to advertise and to use the names, Wildwood Shores Resort Rentals, Wildwood Shores Marina, and Wildwood Shores Club, and to license others to use or advertise such names, and to assign such names to others.

Section 2: Non-Owner Privileges. Sam Houston Forest Estates is a subdivision adjacent to Wildwood Shores. Developer, the P.O.A. Board, the Authority herein created has the authority to allow the bona fied residents of Sam Houston Forest Estates the rights to use the commons and facilities of Wildwood Shores Subdivision upon payment of an initiation fee to the Developer, to be set by the Developer, and payment of the dues and assessments to the P.O.A. in the same amount as property owners pay. This privileges of use will subject the owners in Sam Houston Forest Estates to the same rules of use as an owner, plus any other rules of use as may be established by the P.O.A. These non-owners will be limited members of the association without a right to vote or hold office in the Wildwood Shores Property Owners Association.

ARTICLE XIV
NOTICES

Section 1: Notice of Private Roads - This Section of Wildwood Shores is a private project with private vehicular access and facilities. These private vehicular accesses and facilities must be maintained, improved and repaired by the property owners. The County of Walker will not accept the private vehicular accesses in a private project for maintenance. The Wildwood Shores Property Owners Association will assess dues and fees for such purposes as set forth hereinabove.

A TRUE COPY
I HEREBY CERTIFY, JAMES D. PATTON
COUNTY CLERK WALKER COUNTY
BY *Melba High* DEPUTY

Section 2: Rentals - Though Developer reserves unto itself the exclusive franchise to rent owner's cottages to guests, Developer makes no promises or guarantee that said cottages will be rented on a regular basis, or at all. Purchasers are advised not to agree to purchase a house in this development in anticipation of any rental income therefrom.

Section 3: Forest Road - This project is accessed via Forest Road Number _____. Sam Houston National Forest will not pave this road nor maintain it to our expectations. Developer will pave this road at Developer's expense. The property Owners Association will maintain this road through assessed dues, the same as if it were a roadway commons within the subdivision.

Section 4: Lake Conroe Waters - Lake Conroe is a body of water available to the public. Our lot owner's, as well as anyone else using the lake, do so at their own risk and are subject to the rules of use as promulgated from time to time by the San Jacinto River Authority and other agencies with authority, if any, over the lake.

Section 5: National Forest - The Sam Houston National Forest is on the boundaries of the total proposed project. Owners are privileged to enjoy the use of the Forest for hiking, biking, camping, hunting and other allowed activities. The Forest has its own set of rules and procedures that must be followed. The developer, herein, has no authority over the Sam Houston National Forest and suggest that each lot owner become familiar with the allowed activities and proper procedures to best enjoy its many benefits.

Section 6: The Authority - The Authority created herein is vested in Developer, Suntex Fuller Corporation, its successor and assigns, until such time as Developer creates a Property Owners Association and assigns the authority thereto. Any reference herein to the P.O.A. as the Authority, means the Developer as the Authority, until such assignment is accomplished.

Section 7: The flood level in this subdivision is anticipated to be no more than 207' elevation; however, Developer and the P.O.A. hereby place each purchaser of property herein on notice that should flood waters exceed the elevation of 207' or come upon the lot herein at any elevation, Developer, its successors or assigns and the P.O.A. are not responsible therefore and purchaser in accepting the property subject to these covenants, does hereby release the Developer, its successors and assigns and the P.O.A. from any liability for any damages that may occur from flooding, at any level, of any property subject to these covenants.

Section 8: Easement for Drainage - There is a drainage easement, 5' in width alongside and adjacent to the side boundary of each lot line.

EXECUTED THIS 28th day of September, 1999.

SUNTEX FULLER CORPORATION

By:


Jim W. Fuller, Sr., President

Wildwood Shores/Covenants as Amended Sept.28,1999

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I HEREBY CERTIFY, JAMES D. PATTON
COUNTY CLERK WALKER COUNTY
BY Melba High DEPUTY

STATE OF TEXAS

COUNTY OF MONTGOMERY

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ACKNOWLEDGMENT

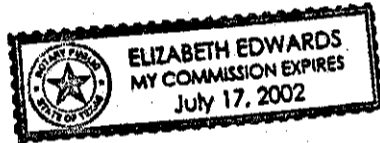
This instrument was acknowledged before me on the 28th day of September, 1999 by
Jim W. Fuller, Sr., President of Suntex Fuller Corporation.

My Commission Expires:

7-17-2002

Elizabeth Edwards
Notary Public, State of Texas

Elizabeth Edwards
Printed Name of Notary



FILED FOR RECORD
COUNTY CLERK
WALKER COUNTY

99 OCT 15 AM 9 05

JAMES D. PATTON
DEPUTY Melba High Deputy

THE STATE OF TEXAS
COUNTY OF WALKER
I, James D. Patton, County Clerk in and for Walker
County, Texas, do hereby certify that this instrument
was filed for record in the 402 volume and page of the
named records and at the time and date as stamped
hereon by me.



JAMES D. PATTON, CLERK
WALKER COUNTY, TEXAS

OFFICIAL PUBLIC RECORDS

Wildwood Shores/Covenants as Amended Sept.28,1999

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STATE OF TEXAS
COUNTY OF WALKER

I, James D. Patton, County Clerk of Walker County Texas,
do hereby certify that the foregoing is a true and correct
copy of the original record and as same appears on record
in Vol. 402 Page 593-614
of the Official Public records of Walker County, Texas
Given under my hand and seal of office this the 11th
day of February, 2009

James D. Patton, County Clerk,
Walker County, Texas

By Melba High Deputy