

353-01-1517

8531975

DECLARATION AND MASTER DEED

LAKE POINTE CONDOMINIUMS

REAL PROPERTY RECORDS

This Declaration and Master Deed is made and executed this 19th day of JULY, 1985, by R/W VENTURE, a Texas joint venture (hereinafter referred to as "Developer"), pursuant to the provisions of the Texas Condominium Act (Chapter 81 of the Texas Property Code) (hereinafter referred to as the "Act"), for the purpose of submitting the hereinafter described real property and the improvements located thereon to a condominium regime.

W I T N E S S E T H:

WHEREAS, Developer is the owner of certain real property in the County of Montgomery, State of Texas, consisting of not more than six (6) residential buildings containing not more than a total of one hundred six (106) units therein and certain other improvements located thereon, more particularly described on Exhibit B attached hereto and made a part hereof for all purposes; and

WHEREAS, Developer has easement rights to an easement granted by the San Jacinto River Authority ("SJRA Easement") on which property the pool and boat slips are situated which easement shall be conveyed herewith to and become a part of the Condominium Project created hereby; and

WHEREAS, Developer desires by recording this Declaration and Master Deed together with the condominium by-laws attached hereto as Exhibit A and the condominium subdivision plat attached hereto as Exhibit B (both of which are hereby incorporated by reference and made a part hereof), to establish a condominium project known as LAKE POINTE CONDOMINIUMS under the provisions of the Act.

NOW, THEREFORE, Developer does upon the recording hereof, establish LAKE POINTE CONDOMINIUMS as a condominium project under the Act and does further grant, sell and convey and by these presents has granted, sold and conveyed unto LAKE POINTE CONDOMINIUMS, and all persons acquiring or owning interests therein, all of Developer's right, title and interest in and to the above referenced SJRA easement and does declare that LAKE POINTE CONDOMINIUMS shall, after such establishment, be held conveyed, hypothecated, encumbered, leased, rented, occupied, improved and in any other manner utilized, subject to the provisions of the Act and to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this Declaration and Master Deed and Exhibits A and B hereto, all of which shall be deemed to run with all or any portion of LAKE POINTE CONDOMINIUMS

353-01-1518

and shall be a burden and a benefit to Developer, LAKE POINTE CONDOMINIUMS and any persons acquiring or owning any interest in LAKE POINTE CONDOMINIUMS, their grantees, heirs, executors, administrators, successors and assigns. In furtherance of the establishment of LAKE POINTE CONDOMINIUMS, it is provided as follows:

1. Unless the context otherwise specifies or requires, the following words and phrases when used herein shall have the following meanings:

A. "Unit" shall mean and refer to an enclosed space consisting of one or more rooms occupying all or part of one or more floors in a building in the Condominium Project having direct access to a thoroughfare, as such space may be further described and delimited in Paragraph 4 hereof.

B. "Condominium" shall mean and refer to the separate ownership of a Unit, together with an undivided ownership interest in the limited and general common elements as set forth and defined herein.

C. "Condominium Project" shall mean and refer to LAKE POINTE CONDOMINIUMS as a condominium project established in conformance with the provisions of the Act.

D. "Owner" shall mean and refer to a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, who or which is the record owner of fee simple title to one or more Units in the Condominium Project.

E. "Association" shall mean and refer to the LAKE POINTE OWNERS' ASSOCIATION, its successors and assigns, a non-profit corporation organized pursuant to the Texas Non-Profit Corporation Act, of which all Owners shall be members, which corporation shall administer the operation and management of the Condominium Project.

F. "Common Elements" shall mean and refer to both the general and limited common elements as described in Paragraph 3 hereof.

2. The major improvements of the Condominium Project consist of six (6) residential buildings and common parking areas. The pool and boat slips, while actually located on the SJRA Easement, shall be deemed to be a part of the Condominium Project. The Condominium Project and the foregoing improvements are described by building letter, Unit number, boundary,

353-01-1519

dimension and area on the condominium subdivision plat attached hereto as Exhibit B. The individual Units, more particularly described in Paragraph 4 hereof, are to be used for residential purposes, and each Unit has its own entrance from and exit to a thoroughfare. Each Owner of a Unit within the Condominium Project shall have an exclusive right to his Unit and shall have the right to share with other Owners the Common Elements as hereinafter set forth.

3. The general and limited common elements of the Condominium Project including, without limitation, those improvements situated within the boundaries of the above referenced SJRA Easement which service and provide amenities to the Condominium Project, are as follows:

A. The general common elements consist of:

(i) The land in the Condominium Project as more particularly described on Exhibit B hereto;

(ii) The foundations, bearing walls and columns (including any windows, doors and chimneys, if any, therein), roofs, attics, ceilings and floors, halls, lobbies, or thoroughfares such as stairways, entrances, exits or communication ways and any other portion of the building located on the land described above not included within any Unit.

(iii) The premises and facilities, if any, used for the common storage, maintenance or repair of the Condominium Project;

(iv) All common facilities, if any, including without limitation, parking spaces, the grounds, pool, yards and walkways;

* (v) Any unassigned boat slips which are designated as such on the condominium subdivision plat attached hereto as Exhibit B and which have not yet been designated to an individual Unit Owner; but Association retains the right, from time to time, to lease any or all of such boat slips to an Owner or Owners for good and valuable consideration, in which event(s) any such leased spaces will become, during the term of such leases, limited common elements as described in 3B(i) below; and

(vi) All other elements desirable or rationally of common use or necessary to the existence, upkeep and safety of the Condominium Project.

353-01-1520

B. The limited common elements, being those common elements reserved for the use of owners of specified Units, to the exclusion of others, consist of:

(i) Boat slips assigned and designated by the Association to the respective Unit and any unassigned boat slips which are, from time to time, leased to an Owner or Owners by the Association and which, during the term of any such lease, shall be appropriately designated;

(ii) Compartments or installations of central services, if any, such as power, light, electricity, telephone, gas, cold and hot water, plumbing, reservoirs, water tanks and pumps, incinerators, and all similar devices and installations; and

(iii) Entrances and stairways, if any, designated with a number(s) corresponding to a Unit number(s) to which they provide access as described on the condominium subdivision plat attached hereto as Exhibit B.

Each Owner shall bear the cost of maintenance, repair and replacement of the following items, if any, within or serving such Owner's Unit, patio or balcony, and entrance and stairway: interior surfaces of all perimeter and interior walls, ceiling and floors (including carpeting, tile, wall paper, paint or other covering); garbage disposals, ranges, refrigerators, dishwashers, trash compactors, washing machines, dryers, light fixtures, and any and all other appliances of any nature whatsoever; heating, ventilating and air conditioning equipment serving such Unit (although such equipment may be located in part outside such Unit); interior and exterior doors, including all hardware thereon; window panes and light bulbs; plumbing and other fixtures of any nature whatsoever; "built-in" features; and decorative features; fireplaces, if any; and, any furniture and furnishing.

Each Owner shall bear the cost of electricity separately metered to his Unit, telephone and/or cable television installation and service and any other utility charge billed directly by the utility company furnishing such service to such Owner.

Each Owner shall bear the expense of maintenance and repair of such Owner's designated boat slip(s). Additionally, each Owner shall pay any slip fees charged by the San Jacinto River Authority and allocated to his respective boat slip.

353-01-1521

The cost of gas, water, electricity (to the extent not separately metered) and any other utility service (except to the extent such costs are borne by the individuals Owners as set forth above) shall also be an expense of administration of the Condominium Project to be assessed in accordance with the condominium by-laws attached hereto as Exhibit A.

The cost of maintenance, repair and replacement of both general and limited common elements (except to the extent such costs are borne by each Owner as set forth above) shall be an expense of administration of the Condominium Project to be assessed in accordance with the condominium by-laws attached hereto as Exhibit A.

Each Owner (and the Association to the extent it is necessary to effect emergency or other repairs necessary to prevent damage to other Units or the common elements) shall have the following easements to, through and over the general and limited common elements to the extent necessary for such Owner's maintenance, repair and replacement:

(i) to paint, remove and replace any finish on the interior surface of any general or limited common element appurtenant to his Unit;

(ii) to install, repair, maintain, remove and/or replace any plumbing, heating, cooling, lighting, cooking or other fixtures or equipment which are a part of his Unit or which would become a part thereof when installed in any bearing wall, floor, ceiling or roof; provided, however, such installation, repair, maintenance, removal and/or replacement shall not impair the structural integrity of the building in which his Unit is located, nor shall it adversely affect any adjacent Unit, nor shall it alter the external appearance of the building in which his Unit is located (unless the Association consents thereto);

(iii) to drive and remove nails, screws, bolts and the like into and from bearing walls, floors, ceiling and roof; provided, however, such action shall not impair the structural integrity of the building in which his Unit is located, nor shall it adversely affect any adjacent Unit, nor shall it alter the external appearance of the building in which his Unit is located (unless the Association consents thereto).

Subject to the provisions contained herein, no Owner shall use his Unit or the general or limited common elements in any

353-01-1522

manner inconsistent with the purpose of the Condominium Project, or in any manner so as to interfere with or impair the rights of another Owner in the use and enjoyment of his Unit or the general or limited common elements.

Public utilities (or private companies) furnishing services to the Condominium Project for common use such as water, electricity, gas and telephone shall have access to the general and limited common elements and each Unit as may be necessary or desirable for the installation, repair or maintenance of such services, and any costs incurred in opening and repairing any wall of the Condominium Project to install, repair or maintain such services (except as otherwise provided herein) shall be an expense of the administration of the Condominium Project to be assessed in accordance with the condominium by-laws attached hereto as Exhibit A.

4. In the condominium subdivision plat attached hereto as Exhibit B, the residential buildings in the Condominium Project are lettered A thru F, respectively, and the Units located therein are numbered by Unit number as set forth below. In determining dimensions and area, each enclosed space in a Unit shall be measured from interior finished, unpainted surfaces of the perimeter walls, and each patio and/or balcony, if any, in such Unit may be measured to the exterior surface of its retaining fence or rail.

Each Unit shall consist of the following portions of the building in which it is located: (i) the interior surface of each perimeter wall and the exterior surface of any retaining fence or rail of any patio or balcony; (ii) the interior surface of the perimeter ceiling; (iii) the upper surface of the sub-floor; (iv) the interior surface (including all glass or glass substitute) of the windows and doors set in perimeter walls; (v) the air space enclosed within the area described and delimited in (i) through (iv) above; (vi) any and all walls, ceilings, floors, partitions and dividers wholly within such air space (but excluding any pipes, ducts, wires, cables, conduits, bearing beams or supports contained within such walls, ceilings, floors, partitions and dividers or within such air space); and (vii) all plumbing, heating, ventilating, air conditioning, lighting, cooking, and other fixtures and equipment (exclusive of pipes, ducts, wires, cables or conduits) located wholly or partly within such air space.

It is expressly stipulated, and each and every purchaser of a condominium unit, his heirs, executors, administrators, assigns, successors and grantees hereby agree, that the square footage, size and dimensions of each unit as set out and shown in

353-01-1523

this Declaration or in the said survey plats attached as Exhibits hereto, are approximate and are shown for descriptive purposes only, and that the Developer does not warrant, represent or guarantee that any unit actually contains the area, square footage or dimensions shown by the plat thereof. Each purchaser and owner of a condominium unit or interest therein, has had full opportunity and is under a duty to inspect and examine the Unit purchased by him prior to the closing of the purchase thereof, and agrees that the Unit is purchased as actually and physically existing. Each purchaser of a condominium unit hereby expressly waives any claim or demand which he may have against the Developer on account of any difference, shortage or discrepancy between the Unit as actually and physically existing and as it is shown on the respective plat thereof, which is attached as an Exhibit hereto. It is specifically agreed that in interpreting deeds, mortgages, deeds of trust and other instruments for any purpose whatsoever or in connection with any matter, the existing physical boundaries of the Units or of any Unit reconstructed in substantial accordance with the original plans thereof shall be conclusively presumed to be the boundaries, regardless of settling, rising, or lateral movement of the building and regardless of variances between the boundaries shown on the plat and those of the building.

The percentage of value assigned to each Unit in the Condominium Project is set forth below and is an arbitrary figure based upon the approximate size of each unit (exclusive of any patio or balcony contained therein) in relation to the others, but nevertheless shall be determinative of the proportionate share of each respective Owner in the Ownership of the Common Elements, the proceeds and expenses of administration and the value of such Owner's vote at meetings of the Association. The total value of the Condominium Project is 100%.

Developer shall have, retain and reserve and by these presents does have, retain and reserve the right at any time, and from time to time, but in any event the commencement thereof must be effectuated prior to three years from the date of closing of the conveyance of the first Unit herein, to convert certain designated Common Elements of the property to additional condominium units (the "Convertible Real Estate"). The Convertible Real Estate is located and delineated in the condominium subdivision plat attached hereto as Phases II and III, respectively. Phase II will consist of proposed buildings D and E and Phase III shall be composed of proposed buildings A and B as set forth in the condominium subdivision plat attached hereto. Nothing herein, however, shall constitute an obligation on the part of Developer to construct additional units on the Convertible Real Estate. In the event Developer elects to commence either Phase II

353-01-1524

or III, or both, Developer shall give the Association written notice of its intentions and further file in the Real Property Records of Montgomery County, Texas, a written Amendment to this Declaration describing in detail the phase or phases to be constructed and the units contained therein, and containing a certification from Developer that (i) the conversion of Common Elements into Units shall be as set forth in this Declaration and according to the condominium subdivision plat attached hereto and (ii) setting forth the adjusted percentage interests of all Units resulting from such conversion. Any such election or elections may be made by Developer without the joinder or consent of any other Owner or Mortgagee of such Owner's Unit. Any such conversion must be architecturally compatible with existing phases and shall be built substantially in accordance with plans and specifications used in the existing phases. Upon completion of any such phase, Developer, without the joinder or consent of any such Owner or Mortgagee, may sell such Units to third party purchaser along with undivided interests in and to the remaining Common Elements contained in the Condominium Project and thereafter all Owners, and the Association, shall be obligated to accept title to, care for and maintain said Common Elements as if the same configuration were originally a part of this Condominium Regime. At the request of the Association, Developer shall provide such bond, letter of credit or financial assurance as the Association may reasonably require to assure that the cost of the construction of such improvements will be paid timely by the Developer and the improvements shall be completed free of liens and encumbrances related to the construction thereof. At the time of the filing of any such Amendment to this Declaration for the purpose of announcing the conversion of such improvements, the percentages of interest of the various owners of Units in the Condominium Project shall be deemed automatically amended as set forth herein and therein. If, for any reason, Developer shall fail or refuse to elect to construct additional phases, the Convertible Real Estate shall remain General Common Elements as part and parcel of this Condominium Regime.

Set forth below are:

A. The letter of the building and each Unit number as it appears on the condominium subdivision plat attached hereto as Exhibit B; and

B. The percentage of value assigned to each such Unit assuming the addition of the various Phases as indicated below.

353-01-1525

UNIT BUILDING LETTER
AND UNIT NUMBER

PERCENTAGE OF VALUE ASSIGNED BY PHASE

I (only) I & II (only) I, II & III

BLDG. A (Proposed - Phase III)

| | |
|-----|--------|
| 101 | 1.0566 |
| 102 | 1.0566 |
| 103 | 1.0566 |
| 104 | 1.0566 |
| 105 | .7709 |
| 106 | .7709 |
| 107 | .7709 |
| 108 | .7709 |
| 109 | 1.0566 |
| 110 | 1.0566 |
| 111 | 1.0566 |
| 112 | 1.0566 |
| 113 | .7709 |
| 114 | .7709 |
| 115 | .7709 |
| 116 | .7709 |
| 117 | 1.0566 |
| 118 | 1.0566 |
| 119 | 1.0566 |
| 120 | 1.0566 |
| 121 | .7709 |
| 122 | .7709 |
| 123 | .7709 |
| 124 | .7709 |

BLDG. B (Proposed - Phase III)

| | |
|-----|--------|
| 101 | 1.0566 |
| 102 | 1.0566 |
| 103 | 1.0566 |
| 104 | 1.0566 |
| 105 | .7709 |
| 106 | .7709 |
| 107 | .7709 |
| 108 | .7709 |
| 109 | 1.0566 |
| 110 | 1.0566 |
| 111 | 1.0566 |
| 112 | 1.0566 |

353-01-1526

UNIT BUILDING LETTER
AND UNIT NUMBER

PERCENTAGE OF VALUE ASSIGNED BY PHASE

| | <u>I (only)</u> | <u>I & II (only)</u> | <u>I, II & III</u> |
|--------------------------------------|-----------------|--------------------------|------------------------|
| BLDG. C | | | |
| 101 | 3.1600 | 1.5880- | 1.0566 |
| 102 | 3.1600 | 1.5880- | 1.0566 |
| 103 | 3.1600 | 1.5880- | 1.0566 |
| 104 | 3.1600 | 1.5880- | 1.0566 |
| 105 | 2.3000 | 1.1590 | .7709 |
| 106 | 2.3000 | 1.1590 | .7709 |
| 107 | 2.3000 | 1.1590 | .7709 |
| 108 | 2.3000 | 1.1590 | .7709 |
| 109 | 3.1600 | 1.5880- | 1.0566 |
| 110 | 3.1600 | 1.5880- | 1.0566 |
| 111 | 3.1600 | 1.5880- | 1.0566 |
| 112 | 3.1600 | 1.5880- | 1.0566 |
| BLDG. D (Proposed - Phase II) | | | |
| 101 | | 1.1590 | .7709 |
| 102 | | 1.1590 | .7709 |
| 103 | | 1.5880- | 1.0566 |
| 104 | | 1.5880- | 1.0566 |
| 105 | | 1.5880- | 1.0566 |
| 106 | | 1.5880- | 1.0566 |
| 107 | | 1.5880- | 1.0566 |
| 108 | | 1.5880- | 1.0566 |
| 109 | | 1.5880- | 1.0566 |
| 110 | | 1.5880- | 1.0566 |
| 111 | | 1.5880- | 1.0566 |
| 112 | | 1.5880- | 1.0566 |
| 113 | | 1.5880- | 1.0566 |
| 114 | | 1.5880- | 1.0566 |
| BLDG. E (Proposed - Phase II) | | | |
| 101 | | 1.5880- | 1.0566 |
| 102 | | 1.5880- | 1.0566 |
| 103 | | 1.5880- | 1.0566 |
| 104 | | 1.5880- | 1.0566 |
| 105 | | 1.5880- | 1.0566 |
| 106 | | 1.5880- | 1.0566 |
| 107 | | 1.5880- | 1.0566 |
| 108 | | 1.5880- | 1.0566 |
| 109 | | 1.1590 | .7709 |
| 110 | | 1.1590 | .7709 |
| 111 | | 1.1590 | .7709 |
| 112 | | 1.1590 | .7709 |

353-01-1527

UNIT BUILDING LETTER
AND UNIT NUMBER

PERCENTAGE OF VALUE ASSIGNED BY PHASE

| | <u>I (only)</u> | <u>I & II (only)</u> | <u>I, II & III</u> |
|---------|-------------------------|--------------------------|------------------------|
| 113 | | 1.5880 | 1.0566 |
| 114 | | 1.5880 | 1.0566 |
| 115 | | 1.5880 | 1.0566 |
| 116 | | 1.5880 | 1.0566 |
| 117 | | 1.1590 | .7709 |
| 118 | | 1.1590 | .7709 |
| 119 | | 1.1590 | .7709 |
| 120 | | 1.1590 | .7709 |
| BLDG. F | | | |
| 101 | 2.3000 | 1.1590 | .7709 |
| 102 | 2.3000 | 1.1590 | .7709 |
| 103 | 2.3000 | 1.1590 | .7709 |
| 104 | 2.3000 | 1.1590 | .7709 |
| 105 | 3.1600 | 1.5880 | 1.0566 |
| 106 | 3.1600 | 1.5880 | 1.0566 |
| 107 | 3.1600 | 1.5880 | 1.0566 |
| 108 | 3.1600 | 1.5880 | 1.0566 |
| 109 | 2.3000 | 1.1590 | .7709 |
| 110 | 2.3000 | 1.1590 | .7709 |
| 111 | 2.3000 | 1.1590 | .7709 |
| 112 | 2.3000 | 1.1590 | .7709 |
| 113 | 3.1600 | 1.5880 | 1.0566 |
| 114 | 3.1600 | 1.5880 | 1.0566 |
| 115 | 3.1600 | 1.5880 | 1.0566 |
| 116 | 3.1600 | 1.5880 | 1.0566 |
| 117 | 2.3000 | 1.1590 | .7709 |
| 118 | 2.3000 | 1.1590 | .7709 |
| 119 | 2.3000 | 1.1590 | .7709 |
| 120 | 2.3000 | 1.1590 | .7709 |
| 121 | 3.1600 | 1.5880 | 1.0566 |
| 122 | 3.1600 | 1.5880 | 1.0566 |
| 123 | 3.1600 | 1.5880 | 1.0566 |
| 124 | 3.1600 | 1.5880 | 1.0566 |
| TOTAL | 36 (Phase I) | 100.00% | |
| | 70 (Phase I & II) | 100.00% | |
| | 106 (Phase I, II & III) | 100.00% | |

44
20

5. So long as Developer owns one or more Unit in the Condominium Project, Developer shall be subject as an Owner to the provisions of this Declaration and Master Deed and Exhibits A and B attached hereto.

353-01-1528

6. Any first mortgagee, upon foreclosure of its lien on a Unit, or upon acceptance of a deed in lieu of foreclosure thereon, shall not be required to pay any unpaid assessments owing on said Unit (including, without limitation, any assessment for annual maintenance as provided in any restrictive covenants of record, if any, affecting the property covered hereby) which may have accrued prior to the time such mortgagee acquired title. In the event any such Unit is subject to an assessment for maintenance pursuant to any restrictive covenant as referred to above, then and in such event said charge shall be the liability of the prior owner of such Unit only and the Association and/or any such prior Unit owner shall hold any such first mortgagee and the Unit subject thereto harmless from any and all liability therefor. Any assessment lien created or claimed under the provisions of Article II, Exhibit A of this Declaration and Master Deed shall be subject and subordinate to the rights of any first mortgagee of any duly recorded first mortgage upon one or more Units made in good faith and for value. No lien created under the provisions of said Article II, Exhibit A shall in any way defeat, invalidate or impair the rights of any first mortgagee under any such duly recorded first mortgage unless such mortgagee shall expressly subordinate its interest, in writing, to such lien.

No amendment to this Declaration and Master Deed shall affect the rights of the mortgagee of any such mortgage which is made in good faith and for value; provided that any such mortgage is recorded prior to the recordation of such amendment and written notice of delivery and recordation of said mortgage is given to the Association pursuant to Article VII, Exhibit A.

Notwithstanding anything contained in this Declaration and Master Deed to the contrary, the Association may, upon the affirmative vote of the Owners otherwise entitled to vote and holding in aggregate at least fifty-one percent (51%) interest in the percentage of value assigned to all Units in the Condominium Project, execute a subordination agreement or agreements to extend the benefits of the two preceding paragraph to mortgages and mortgagees not otherwise entitled thereto.

No breach of any provision of this Declaration and Master Deed shall impair or invalidate any lien of any duly recorded mortgage made in good faith and for value encumbering one or more Units; provided, however, that all the covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way, liens, charges and equitable servitudes contained in this Declaration and Master Deed shall be binding upon and effective against any person who acquires title to any

353-01-1529

beneficial interest in any Unit by way of foreclosure, or otherwise.

7. If the Condominium Project is totally or partially damaged or destroyed, or totally or partially taken by eminent domain, the repair, reconstruction or disposition thereof shall be in accordance with the condominium by-laws attached hereto as Exhibit A; provided, however, no provision contained herein, in the Condominium By-Laws or any other constituent document of the Condominium Project shall give an Owner, or any other party, priority over any first mortgagee with respect to the distribution of proceeds of insurance or condemnation awards.

8. In the event that any portion of a Unit or a general or limited common element changes boundaries and thereby encroaches upon another Unit or such common element due to the shifting, settling or moving of a building or buildings in the Condominium Project, such changed boundaries shall be deemed to constitute the boundaries of the Units and the general or limited common elements so affected in accordance with Section 9 of the Act.

9. (a) Except as may be provided by the Act, the regime established for the Condominium Project hereby shall not be vacated, waived, revoked, abandoned or terminated (except for abandonment provided by statute in case of substantial loss to the Units and Common Elements), (b) nor shall the percentage of value assigned to nor the dimensions of any Unit be changed including, without limitation, any change resulting from subdivision or partition, except for the expansion by additional phases as contemplated herein, (c) nor shall the Common Elements be abandoned, partitioned, subdivided, encumbered, sold, or transferred, unless at least sixty-seven percent (67%) of the Owners and all of the mortgagees of the mortgages covering Units agree in writing to such abandonment, partition, subdivision, encumbrance, sale or transfer, except for the expansion by additional phases as contemplated herein, (d) nor shall any other provision of this Declaration be amended (with the express exception of the provisions of the condominium by-laws attached hereto as Exhibit A, which may be amended in accordance with the terms thereof) unless at least fifty-one percent (51%) of the Owners and at least sixty-seven percent (67%) of the Mortgagees of the mortgages covering Units agree in writing to such amendment; provided, however, unanimity shall be required to the extent set forth in the Act. No amendment shall discriminate against any Unit Owner nor against any Unit or class or group of Owners or Units, unless the owners so affected shall consent in writing thereto, nor shall any amendment make any material change in the provisions herein, if any, as they relate to insurance and/or repair or reconstruction after a casualty or destruction,

353-01-1530

without the prior written consent of all record holders of purchase money mortgages on all Units affected thereby. Notwithstanding the generality of the foregoing, and notwithstanding anything in Paragraph 6 to the contrary, except as may be provided by the Act, Developer may amend this Declaration and Master Deed without consent of any other party in order to: (i) correct survey or other errors made herein prior to the first annual meeting of the Association; and, (ii) change the percentages of value assigned to and the dimensions of Units owned by Developer so long as such changes do not affect the percentages of value assigned to other Units in the Condominium Project not owned by Developer; and, (iii) conform with the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association or any similar and duly constituted governmental authority with respect to Condominium documentation. Any amendment hereto shall be evidenced by written instrument to such effect executed by the Association (or when appropriate by the Developer only) and duly recorded in the Condominium Records of Montgomery County, Texas.

10. All present and future Owners, tenants, visitors, servants and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration and Master Deed, the Unit Deed, Articles of Incorporation, by-laws and rules and regulations of the Association, as they may be amended from time to time, and all items affecting the title to the property. The acceptance of the Unit Deed or the entering into occupancy of a Unit shall constitute an agreement that: (i) this Declaration and Master Deed, the Unit Deed, Articles of Incorporation, by-laws and rules and regulations of the Association, as they may be amended from time to time, and all items affecting title to the property are accepted and ratified by each such Owner, tenant, visitor, servant or occupant, and all of such provisions shall be deemed to be covenants running with the land to bind any person having at any time any interest or estate in such Unit, as though such provisions were cited and stipulated in each and every Unit Deed, and (ii) violations of this Declaration and Master Deed, the Unit Deed, Articles of Incorporation, by-laws or rules and regulations of the Association by any such person shall be deemed to be a substantial violation of the duties of the Owner.

11. The invalidity of any provision of this Declaration and Master Deed shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration and Master Deed and, in such event, all the provisions of this Declaration and Master Deed shall continue in full force and effect as if such invalid provision had never been included herein.

353-01-1531

12. No provision contained in this Declaration and Master Deed shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

13. In the event Developer shall sell, assign, transfer or convey, or in the event any other person, firm or corporation shall acquire by foreclosure, deed in lieu thereof, or otherwise, Developer's interest in the property hereby covered (other than by and through the sale of individual condominium units), then and in any such event any such subsequent owner shall succeed to and be bound by all the rights, privileges, duties and obligations of the Developer.

14. Developer shall have, retain and reserve and by these presents does, have, retain and reserve certain rights as hereinafter set forth with respect to the Condominium Project and the Association from the date hereof until the later to occur of (i) the time that the last privately owned Unit within the Condominium Project, including, without limitation, Units within the area described herein as "Convertible Real Estate", has been sold and conveyed by Developer or (ii) December 31, 1989. The rights and reservations hereinafter set forth shall be deemed excepted and reserved in each conveyance of Property by Developer to an Owner whether or not specifically stated therein and each Deed and or other instrument by which any property within the Condominium Project is conveyed by Developer. The right, reservations and easements hereinafter set forth shall be prior and superior to any other provisions of this Declaration and may not, without Developer's prior written consent be modified, amended, rescinded or affected by any Amendment of this Declaration. Developer's consent to any one such Amendment shall not be construed as consent to any other or subsequent Amendment.

- (a) Developer shall have and does hereby reserve the right to reasonable use of the Common Elements of the Condominium Project and of services offered by the Association in connection with the promotion and marketing of Units within the Condominium Project, including without limitation the promotion and marketing of Units contained in any area designated as "Convertible Real Estate". Without limiting the generality of the foregoing, Declarant may erect and maintain on any part of the Condominium Project as such signs, temporary buildings and other structures as Developer may reasonably deem necessary or proper in connection with the promotion, development, sale and marketing of Units within the Condominium Project; may use vehicles and equipment on the Condominium Project

353-01-1532

property for promotional purposes and permit prospective purchasers of the property within the Condominium Project who are not Owners or members of the Association, to use property within the Condominium Project and/or services offered by the Association in connection with the development, promotion, sale and marketing of property within boundaries thereof.

- (b) No provision of this Declaration shall be construed to prevent or limit Developer's right to complete development of the property within the boundaries of the Condominium Project; to construct or alter any improvements within the Project owned by Developer which are used for model or sales units; to maintain model homes, offices for construction, sales or leasing purposes or other similar facilities on Condominium Project Property; or to post signs incident to the development, construction, promotion, sale, marketing or leasing of property within the boundaries of the Condominium Project. Nothing contained in this Declaration shall limit the right of Developer or require Developer to obtain approvals (i) to excavate, cut, fill or grade any property owned by Developer, or to construct, alter, demolish or replace any improvements on any property owned by Developer or (ii) to use any structure on any property owned by Developer as a construction, model home or real estate sales or leasing office in connection with the sale of any Property within the boundaries of the Condominium Project or (iii) to require Developer to seek or obtain approval of the Association for any activity or improvement to Property by Developer on any Property owned by Developer.
- (c) Developer shall have and hereby reserves the right to grant or create temporary or permanent easement for access, utilities, drainage, water, construction of improvements or other purposes incident to the development of the Condominium Project located in, on, under, over or across common areas within the Condominium Project, provided that such easements do not create a permanent, unreasonable interference with the rights of the Owners.

353-01-1533

IN WITNESS WHEREOF, Developer has caused this Declaration and Master Deed to be executed the day and year first written above.

R/W VENTURE

By: [Signature]
Parks L. Reinhardt
Venturer

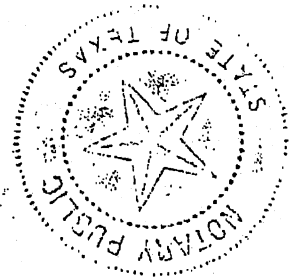
By: [Signature]
Charles C. Wight, III
Venturer

THE STATE OF Texas §
COUNTY OF Madison §

This instrument was acknowledged before me on the 22nd day of July, 1985 by PARKS L. REINHARDT, Venturer of R/W Venture, a Texas joint venture.

[Signature]
LOU BEAN
Notary Public in and for
the State of T E X A S

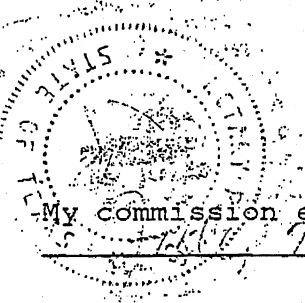
My commission expires:
3-16-88



THE STATE OF TEXAS §
COUNTY OF HARRIS §

353-01-1534

This instrument was acknowledged before me on the 16th day of July, 1981, by CHARLES C. WIGHT, III, Venturer of R/W Venture, a Texas joint venture.



Richard P. Davis
D. Davis
Notary Public in and for
the State of T E X A S

-My commission expires:
7/1/86

1084296
WFO247

9

490-01-1560

8747467

REAL PROPERTY RECORDS

FIRST AMENDMENT TO DECLARATION AND MASTER DEED
OF LAKE POINTE CONDOMINIUMS

This First Amendment to Declaration and Master Deed of Lake Pointe Condominiums is made and executed this 21st day of July, 1987, by Lake Pointe Owners' Association (hereinafter referred to as "Association") acting for and on behalf of the undersigned owners of condominium units ("Owners"), pursuant to the provisions of the Texas Condominium Act (Chapter 81 of the Texas Property Code) (hereinafter referred to as the "Act"), for the purpose of amending said Declaration and Master Deed.

W I T N E S S E T H:

WHEREAS, R/W Venture, a Texas joint venture (hereinafter referred to as "Developer") is the developer of a certain condominium project known as Lake Pointe Condominiums (hereinafter referred to as the "Project"), as evidenced by a certain Declaration and Master Deed recorded under Clerk's File No. 8531975, Montgomery County Real Property Records (hereinafter referred to as the "Declaration"); and

WHEREAS, the Declaration presently provides in Paragraph 4 thereof that the time for the commencement of the conversion of certain designated common elements of the Project to additional condominium units ("Convertible Real Estate") expires "three years from the date of closing of the conveyance of the first Unit herein". The first closing date was August 12, 1985; and

490-01-1561

WHEREAS, it is the desire of the Association to amend the Declaration to extend the time for converting said Convertible Real Estate until August 1, 1992; and

WHEREAS, the Developer has retained and reserved certain rights with respect to the Project and the Association in connection with the conversion of Convertible Real Estate; and

WHEREAS, it is the desire of the Association to extend the period in which such rights are retained and reserved in the Developer; and

WHEREAS, the requisite number of Owners and mortgagees of mortgages covering Units in the Project have consented in writing to said amendment;

NOW, THEREFORE, Lake Pointe Owners' Association does hereby amend said Declaration and Master Deed as follows:

1. The time provided in Paragraph 4 of the Declaration in which to commence the annexation of Convertible Real Estate into the condominium regime shall be extended until "August 1, 1992" instead of "until three years from the date of closing of the conveyance of the first Unit herein".
2. Paragraph 14(ii) is hereby amended by substituting the date "August 1, 1992" in place and in stead of the date "December 31, 1989".

490-01-1562

All other terms and provisions of said Declaration and Master Deed, not amended hereby, shall remain in full force and effect from and after the date hereof.

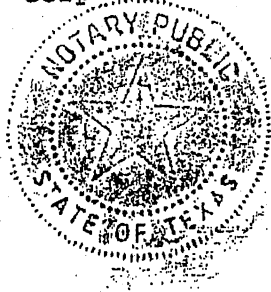
IN WITNESS WHEREOF, this instrument has been executed on the day and year first written above. This instrument may be executed in multiple counterparts, each of which shall be deemed to be an original.

LAKE POINTE OWNERS' ASSOCIATION

BY: [Signature]
NAME: PARKS L REINHARDT
TITLE: PRESIDENT

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on the 21st day of July, 1987, by Parks L. Reinhardt, President of LAKE POINTE OWNERS' ASSOCIATION, on behalf of said corporation and on behalf of the undersigned "Owners".



Nelda Porter
NOTARY PUBLIC, STATE OF TEXAS
NAME: Nelda Porter
MY COMMISSION EXPIRES: 4-9-88

0787073I.005

490-01-1563

CERTIFICATION OF COMPLIANCE

The undersigned does hereby certify that the foregoing First Amendment to Declaration and Master Deed of Lake Pointe Condominiums was adopted at a duly called and constituted meeting of the members of Lake Pointe Owners' Association on September 26, 1987, wherein the holders of at least sixty-seven (67%) percent of the ownership interests in the condominium project and at least sixty-seven (67%) percent of the mortgagees of mortgages covering units in such project have voted in favor of such Amendment, in compliance with the provisions of Section 81.111 of the Texas Property Code.

Executed this 21 day of July, 1987.

STATE OF TEXAS
COUNTY OF MONTGOMERY
I hereby certify that this instrument was filed in File Number Sequence on the date and at the time stamped hereon by me, and was duly RECORDED, in the official Public Records of Real Property of Montgomery County, Texas

LAKE POINTE OWNERS' ASSOCIATION

OCT 19 1987

BY: [Signature]
NAME: PARKS L. REINHARDT
TITLE: PRES

STATE OF TEXAS
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS
COUNTY OF Montgomery

This instrument was acknowledged before me on the 21st day of July, 1987 by Parks L. Reinhardt (Name), President (Title) of LAKE POINTE OWNERS' ASSOCIATION, on behalf of said association.



FILED FOR RECORD
1987 OCT 19 PM 4:11
Roy Harris
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

Nelda Porter
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS
NAME: Nelda Porter
MY COMMISSION EXPIRES: 4-9-88

10870475.005

R/W VENTURE
P.O. BOX 1130

RECORDED

772.16

9

490-01-1564

8747468

REAL PROPERTY RECORDS

SECOND AMENDMENT TO DECLARATION AND MASTER DEED OF LAKE POINTE CONDOMINIUMS

This Second Amendment to Declaration and Master Deed is made and executed as of the date written below, by LAKE POINTE OWNERS' ASSOCIATION (hereinafter referred to as "Association") acting for and on behalf of the undersigned owners of condominium units ("Owners"), pursuant to the provisions of the Texas Condominium Act (Chapter 81 of the Texas Property Code) (hereinafter referred to as the "Act"), for the purpose of amending said Declaration and Master Deed.

W I T N E S S E T H:

WHEREAS, R/W VENTURE, A TEXAS JOINT VENTURE (hereinafter referred to as "Developer") is the developer of a certain condominium project known as LAKE POINTE CONDOMINIUMS (hereinafter referred to as the "Project"), as evidenced by a certain Declaration and Master Deed recorded under Clerk's File No. 8531975, Montgomery County Real Property Records (hereinafter referred to as the "Declaration"); and

WHEREAS, it is the desire of the Association and Developer to amend the Declaration to clarify certain voting requirements and to incorporate certain provisions presently required by the Act into the Declaration; and

WHEREAS, the requisite number of Owners and mortgagees of mortgages covering units in the Project have approved of such Amendment;

490-01-1565

NOW, THEREFORE, LAKE POINTE OWNERS' ASSOCIATION does hereby amend said Declaration and Master Deed by deleting Paragraph 9 in its entirety and inserting in its place instead the following:

"9. Except as may be provided by the Act, (a) the regime established for the Condominium Project shall not be vacated, waived, revoked, abandoned or terminated (except for abandonment provided by the Act in case of substantial loss to the Units and Common Elements), (b) nor shall the percentage of value assigned to nor the dimensions of any Unit be changed including, without limitation any change resulting from subdivision or partition, except for the expansion by additional phases as contemplated herein, (c) nor shall the Common Elements be abandoned, partitioned, subdivided, encumbered, sold or transferred, unless the holders of at least sixty-seven (67%) percent of the ownership interests in the Condominium Project and all of the mortgagees of the mortgages covering Units agree in writing to such abandonment, partition, subdivision, encumbrance, sale or transfer, except for the expansion by additional phases as contemplated herein, (d) nor shall any other provision of this Declaration be amended (with the express exception of the provisions of the Condominium By-Laws attached hereto as Exhibit "A", which may be amended in accordance with the terms thereof) unless the holders of at least sixty-seven (67%) percent of the ownership interests in the Condominium Project and at least sixty-seven (67%) percent of the mortgagees of the mortgages covering units agree in writing to such amendment; provided, however, unanimity shall be required to the extent set forth in the Act. Notwithstanding anything contained herein to the contrary, the Declaration may only be amended at a meeting of the Owners at which the amendment is approved by the holders of at least sixty-seven (67%) percent of the ownership interests in the Condominium Project. No amendment of the Declaration may alter or destroy a Unit or a Limited Common Element without the consent of the Owners affected and the Owners' first lien mortgagees. No amendment shall discriminate against any Unit Owner nor against any Unit or class or group of Owners or Units, unless the Owners so affected shall consent in writing thereto, nor shall any amendment make any material change in the provisions herein, if any, as they relate to insurance and/or repair or reconstruction after casualty or destruction, without the prior written consent of all record holders of purchase money mortgages on all Units affected thereby. Any amendment hereto shall be evidenced by a written instrument to such effect executed by the Association and duly recorded in the Condominium Records of Montgomery County,

490-01-1566

Texas. Nothing herein shall adversely impact or impair Developer's rights with respect to the annexation of Convertible Real Estate as provided for elsewhere herein."

This amendment shall be incorporated into the Declaration and Master Deed as if originally contained. All other terms and provisions of said Declaration and Master Deed, as amended, not affected hereby shall remain in full force and effect from and after the date hereof.

IN WITNESS WHEREOF, this instrument has been executed as of the 26th day of September, 1987. This instrument may be executed in multiple counterparts, each of which shall be deemed to be an original.

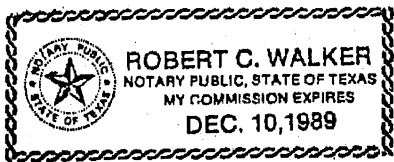
LAKE POINTE OWNERS' ASSOCIATION

BY: [Signature]
NAME: PARKS L REINHARDT
TITLE: PRES

THE STATE OF TEXAS
COUNTY OF HARRIS

§
§
§

This instrument was acknowledged before me on the 26th day of September, 1987 by PARKS L. REINHARDT (Name), PRESIDENT (Title) of LAKE POINTE OWNERS' ASSOCIATION, on behalf of said association.



[Signature]
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS
NAME:
MY COMMISSION EXPIRES:

0987023J.005

490-01-1567

CERTIFICATION OF COMPLIANCE

The undersigned does hereby certify that the foregoing Second Amendment to Declaration and Master Deed of Lake Pointe Condominiums was adopted at a duly called and constituted meeting of the members of Lake Pointe Owners' Association on September 26, 1987, wherein the holders of at least sixty-seven (67%) percent of the ownership interests in the condominium project and at least sixty-seven (67%) percent of the mortgagees of mortgages covering units in such project have voted in favor of such Amendment, in compliance with the provisions of Section 81.111 of the Texas Property Code.

Executed this 26 day of SEPT, 1987.

STATE OF TEXAS
COUNTY OF MONTGOMERY
I hereby certify that this instrument was filed in File Number Sequence on the date and at the time stamped hereon by me, and was duly RECORDED in the official Public Records of Real Property of Montgomery County, Texas

OCT 19 1987

LAKE POINTE OWNERS' ASSOCIATION



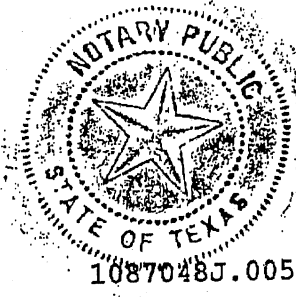
ROY HARRIS
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS

COUNTY OF Montgomery

BY: [Signature]
NAME: PARKS L REINHARDT
TITLE: PRES

This instrument was acknowledged before me on the 26th day of September, 1987 by Parks L. Reinhardt (Name), President (Title) of LAKE POINTE OWNERS' ASSOCIATION, on behalf of said association.



FILED FOR RECORD
1987 OCT 19 PM 4:11

ROY HARRIS
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

[Signature]
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS
NAME: Nelda Porter
MY COMMISSION EXPIRES: 4-9-88

R/W VENTURE
P.O. Box 1130
MONTGOMERY TEXAS 77306

3

REAL PROPERTY RECORDS

8747469

490-01-1568

LEASE RATIFICATION

STATE OF TEXAS
COUNTY OF MONTGOMERY

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, Pringle Petroleum, Inc. was the original Lessee in the following Oil, Gas and Mineral Lease:

Lease dated August 23, 1982, executed by Kenneth T. McGee et al. recorded under Film Code No. 158-01-0229 in Deed Records of Montgomery County, Texas, covering 2.82118 acres, more or less, out of the Walker County School Land Survey, Abstract No. 599, Montgomery County, Texas.

WHEREAS the undersigned Lessor(s) in said lease wishes to ratify same:

NOW, for One (\$1.00) Dollar and other good and valuable considerations, the receipt and sufficiency of which are hereby confessed and acknowledged, the undersigned do ratify such lease and confirm that it is in effect and does lease and let the lands therein described to the original Lessee and its successors and assigns.

Executed as of the date of acknowledgement hereof, and effective as of October 8, 1987 and this Lease Ratification shall be effective until October 8, 1988. This instrument shall be effective as to each person who executes it.

Kenneth D. McGee

Linda A. McGee

STATE OF TEXAS
COUNTY OF Montgomery

This instrument was acknowledged before me on the 15th day of October, 1987 by Kenneth D. McGee and Linda A. McGee.



S. Carl Everett
Notary Public, State of Texas

Roy Harris
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF

This instrument was acknowledged before me on the ___ day of ___, 1987 by ___

My Commission Expires: OCT 19 1987

Notary Public, State of Texas

Roy Harris
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

Notary's Printed Name

Return To:
Heritage Land Co.
P.O. Box 1723
Course, TX 77305

353-01-1535

EXHIBIT A

TO DECLARATION AND MASTER DEED

CONDOMINIUM BY-LAWS
OF
LAKE POINTE CONDOMINIUMS
ARTICLE I

LAKE POINTE OWNERS' ASSOCIATION

Section 1. LAKE POINTE CONDOMINIUMS shall be administered by a non-profit corporation incorporated under the laws of the State of Texas under the name of "LAKE POINTE OWNERS' ASSOCIATION" (herein referred to as the "Association"). The Association shall be responsible for the management, maintenance, operation and administration of the Condominium Project, the Common Elements and easements appurtenant thereto in accordance with (i) the Declaration and Master Deed, (ii) these by-laws (which shall also be the by-laws of Lake Pointe Owners' Association), (iii) the Articles of Incorporation and duly adopted rules and regulations of the Association and (iv) the laws of the State of Texas.

Section 2. The Association may provide for independent management of the Condominium Project. Such independent management may jointly manage the Condominium Project and other property. In such event, the Association shall not be required to bear in excess of its pro rata share (based on the ratio that the number of Units in the Condominium Project bears to the number of total units of whatever type so jointly managed) of such independent management expense. Any agreement for independent professional management of the Condominium Project, or any other contract providing for services by the Developer, sponsor or builder, shall provide that any such contract may be terminated by either party with cause on thirty (30) days' written notice, or without cause on ninety (90) days' written notice, without payment of any termination fee, and the term of any such contract shall not exceed one (1) year, but may be renewable by agreement of the parties for successive one-year periods. Any decision by the Association to terminate independent management and assume self-management of the Condominium Project shall require the prior written approval of all first mortgagees of mortgages covering Units.

Section 3. Membership in the Association and voting by members of the Association shall be in accordance with the following provisions:

353-01-1536

A. Each Owner shall be a member of the Association and no other person or entity shall be entitled to membership. No Owner shall be required to pay any consideration whatsoever solely for his membership in the Association.

B. The share of an Owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit in the Condominium Project.

C. Each member shall be entitled to a vote, the value of which shall equal the total of the percentage of value assigned to the Units owned by such member as set forth in the Declaration and Master Deed. No member, other than Developer, shall be entitled to vote at any meeting of the corporation until such member has presented evidence of ownership of a Unit in the Condominium Project to the board of directors. The vote of each member may only be cast by such member or by proxy given by such member to his or her spouse or to another member or to his duly authorized representative bearing a date nor more than eleven (11) months prior to such meeting. Such proxy shall be filed with the secretary of the corporation prior to or at the time of the meeting. If title to a Unit shall be in the name of two or more persons as Owners, all of such persons shall be members of the corporation and are referred to herein as "Joint-Owners". Any one of such Joint-Owners may vote at any meeting of the members of the corporation and such vote shall be binding upon such other Joint-Owners who are not present at such meeting until written notice to the contrary has been received by the board of directors in which case the unanimous vote of all such Joint-Owners (in person or by proxy) shall be required to cast their vote as members. If two or more of such Joint-Owners are present at any meeting, their unanimous action shall also be required to cast their vote as members of the corporation.

D. There shall be an annual meeting of the members of the Association, and other meetings may be provided for in the by-laws of the Association. Notice of time, place and subject matter of all meetings, as provided in the by-laws of the Association, shall be given to each Owner by mailing the same to such Owner or to the individual representative designated by such Owner at the address given by such Owner to the Association. If any Owner shall fail to give an address to the Association for the mailing of notices, all notices shall be sent to the Unit of such Owner, and such Owner shall be deemed to have been given notice of any such

353-01-1537

meeting irrespective of the actual receipt of the same. Until the first meeting of members, the affairs of the Association shall be managed by the first Board of Directors named in the Articles of Incorporation of the Association, or their replacements. The first annual meeting of the members of the corporation shall be held no later than the earlier to occur of (i) ninety (90) days after conveyance by Developer of more than seventy-five percent (75%) in number of the Units in the Condominium Project or (ii) three (3) years after the first Unit is conveyed, at which time Developer shall relinquish control of the Association to the Owners. Thereafter, an annual meeting of the members of the corporation shall be held in each succeeding year on the third Saturday of the third month following the close of the fiscal year if not a legal holiday, and if a legal holiday, then on the next secular day following, at 2:00 p.m., or such other time set by directors, at which time the members shall elect a board of directors, and shall transact such other business as may properly be brought before the meeting.

E. Special meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute, the Articles of Incorporation, the Declaration and Master Deed or the Condominium By-laws, may be called by the president, the board of directors, or by members having not less than ten percent (10%) of the total percentage of values assigned to those members transacted at all special meetings shall be confined to the objects stated in the notice of such meeting.

F. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the president, the secretary, or the officer or person calling the meeting, to each member of the corporation entitled to vote at such meeting. In addition, timely written notice of all meetings of the Association shall be given to the holders of first mortgages as they appear in the books and records of the Association and each such mortgagee shall be entitled to appoint a non-voting representative to attend such meetings.

G. Except as otherwise provided by the Act, or these by-laws, the presence in person or by proxy of fifty-one percent (51%) of the percentage of values of the Owners

353-01-1538

qualified to vote shall constitute a quorum for holding any meeting of the members of the Association. If, however, such quorum shall not be present or represented at any meeting of the Owners, the Owners present in person or represented by proxy, shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present or represented. If a quorum shall be present or represented by proxy at such meeting held in lieu of the adjourned meeting(s), any business may be transacted at such meeting as originally notified.

H. At any meeting of the members of the Association, votes may be cast in person or by proxy. Proxies must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association.

I. When a quorum is present at any meeting of the Association, the vote of fifty-one percent (51%) or more of the percentage of values of those Owners qualified to vote and present in person or proxy at such meeting shall decide any question brought before such meeting, unless the question is one upon which by express provision of any statute, the Declaration and Master Deed, the Articles of Incorporation of the Association or the Condominium By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question. The Owners present in person or by proxy at a duly organized meeting may continue to transact business until adjournment notwithstanding the withdrawal of enough Owners to leave less than a quorum.

J. At all meetings of the Owners cumulative voting shall not be permitted.

K. Any first mortgagee of a Unit shall be permitted to be represented at any meeting of the Association. Any such mortgagee shall designate any such representative in writing and deliver same to Association at or prior to a meeting. Upon written request by a first mortgagee, the Association shall provide such mortgagee with notice of any meeting of the Association provided pursuant hereto.

Section 4. The Association shall keep or cause to be kept detailed books of account showing all expenditures and receipts of the administration of the Condominium Project which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the

353-01-1539

Association and the Owners. Such books shall be open for inspection by the Owners and their mortgagees during reasonable working hours on weekdays and shall be audited annually by qualified auditors within ninety (90) days after the end of any fiscal year of the Project, or as soon thereafter as practicable. The cost of such audit shall be an expense of administration of the Condominium Project and the Association shall, upon request, agree to provide the holders, insurers and/or guarantors of first mortgages with copies of such reports free of charge. In addition, the Association shall be required to make available to Unit Owners, and to holders, insurers, or guarantors of any first mortgage, current copies of the declaration, bylaws, other rules concerning the project and the books, records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.

Section 5. All costs incurred by the Association, including but not limited to any costs incurred in satisfaction of any liability arising within, caused by or in connection with the Association's operation, maintenance or use of the Condominium Project, shall be Association expenses. All sums received by the Association, including but not limited to all sums received as proceeds of, or pursuant to, any policy of insurance carried by the Association, shall be Association receipts.

Section 6. The registered office of the corporation and the registered agent of the corporation shall be as designated in the Articles of Incorporation of the Association, or as may be designated from time to time by appropriate corporate action. The corporation may also have offices at such other places, both within and without the State of Texas, as the board of directors may from time to time determine or the business of the corporation may require.

Section 7.

A. The business and affairs of the corporation shall be managed by its board of directors who may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute, the Articles of Incorporation, the Declaration and Master Deed or the Condominium By-laws directed or required to be exercised or done by the members.

B. The initial board of directors designated in the Articles of Incorporation shall consist of three (3) directors, none of whom need be members of the corporation or but at least one (1) of whom shall be a resident of the

353-01-1540

State of Texas. If a vacancy occurs in the initial board of directors prior to the first meeting of the members, such vacancy shall be filled by a person designated and appointed by Developer. At the first annual meeting of the members, the members shall elect three (3) directors and at such meeting and subsequent annual meetings the board of directors shall consist of three (3) directors, all of whom shall be members of the corporation, but shall not be required to maintain their permanent residences in the Condominium Project. The directors shall be elected at the annual meeting of the members, except as hereinafter provided, and the two (2) persons receiving the most votes shall hold office for a term of two (2) years and the remaining one (1) person receiving the least votes shall hold office for a term of one (1) year until the next annual meeting of the members following the election. Thereafter directors shall be elected and shall qualify and hold office for a term of two (2) years. The directors shall serve without compensation.

C. Any director may be removed either for or without cause at any special meeting of the members of the corporation by the affirmative vote of at least fifty-one percent (51%) of the percentage values represented in person or by proxy at such meeting and entitled to vote, if notice of the intention to act upon such matter shall be given in the notice called such a meeting. If any vacancy occurs in the board of directors, caused by the death, resignation, retirement, disqualification or removal from office of any director or otherwise, a successor or successors may be chosen by the affirmative vote of a majority of the remaining directors, and each successor director so chosen shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting of members or at a special meeting of members called for that purpose.

D. The directors of the corporation shall hold their meetings, both regular and special, at the place of its registered office or at the site of the Condominium Project, as may be designated from time to time in writing.

E. The first meeting of each newly elected board shall be held without further notice immediately following the annual meeting of members of the corporation, and at the same place, unless by unanimous consent of the directors then elected and serving such time or place shall be changed.

353-01-1541

F. Regular meetings of the board of directors may be held without notice at such time and place as shall from time to time be determined by the board.

G. Special meetings of the board of directors may be called by the president on three (3) days' notice to each director, either personally or by mail or by telegram; special meetings shall be called by the president or secretary in like manner and on like notice on the written request of two directors. Except as may be otherwise expressly provided by statute, the articles of incorporation, these by-laws, the Declaration and Master Deed or the Condominium By-laws, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in a notice or waiver of notice.

H. At all meetings of the board of directors the presence of a majority of the directors shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of the directors, when present at any meeting at which there is a quorum, shall be the act of the board of directors, except as may be otherwise specifically provided by statute, the articles of incorporation, these by-laws, the Declaration and Master Deed of the Condominium By-laws. If a quorum shall not be present at any meeting of directors the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 8.

A. The board of directors may, by resolution passed by a majority of the whole board, designate one (1) or more committees, to consist of two (2) or more of the directors of the corporation. Any such committee, to the extent provided in said resolution, shall have and may exercise all of the authority of the board of directors in the management of the business and affairs of the corporation, except where action of the full board of directors is required by statute, the Articles of Incorporation, the Declaration and Master Deed or the Condominium By-laws.

B. Other committees not having and exercising the authority of the board of directors in the management of the affairs of the corporation may be designated and appointed by a resolution adopted by a majority of the directors at a meeting at which a quorum is present, or by the present thereunder authorized by a like resolution of the board of

353-01-1542

directors. Membership on such committees may, but need not be, limited to directors or members of the corporation.

C. All committees shall keep regular minutes of their proceedings and shall report the same to the board when requested to do so.

D. The board of directors may employ for the corporation a management agent at a compensation established by the board of directors and such management agent shall perform such duties and services with respect to the Condominium Project as the board of directors shall authorize, and the board of directors may delegate to such management agent such duties with respect to management, repair and maintenance of the Condominium Project which are not be statute, the Articles of Incorporation, the Declaration and Master Deed or the Condominium By-laws required to be performed by or have the approval of the board of directors or the members of the corporation.

E. Any action required or permitted to be taken at a meeting of the board of directors or any committee may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all members of the board of directors or committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote at a meeting.

F. Subject to the provisions required or permitted by statute or the Articles of Incorporation for notice of meetings, members of the board of directors, or members of any committee designated by the board, may participate in and hold a meeting of the board or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this section shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 9.

A. Whenever under the provisions of any statute, the Articles of Incorporation, the Declaration and Master Deed or the Condominium By-laws, notice is required to be given to any director or member, and no provision is made as to how such notice shall be given, it shall not be construed to

353-01-1543

mean personal notice, but any such notice may be given in writing, by mail, postage prepaid, addressed to such director or member at such address as appears on the records of the corporation. Any notice required or permitted to be given by mail shall be deemed to be given at the time when the same shall be deposited in the United States Mail.

B. Whenever any notice is required to be given to any member or director of the corporation under the provisions of any statute, the Articles of Incorporation, the Declaration and Master Deed or the Condominium By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated in such notice, shall be deemed equivalent to the giving of such notice.

Section 10.

A. The officers of the corporation shall be elected by the directors from among the members of the board of directors and shall be a president, a secretary and a treasurer. The board of directors may also choose one (1) or more vice-presidents, and one (1) or more assistant secretaries and assistant treasurers. Any two (2) or more offices may be held by the same person except that the offices of president and secretary shall not be held by the same person.

B. The board of directors at its first meeting after each annual meeting of members shall choose a president, a secretary, and a treasurer, all of whom shall be members of the board. The board of directors may also elect such vice-presidents from among its members as it may determine.

C. The board of directors may appoint such other officers and agents as it shall deem necessary, who shall be appointed for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the board.

D. Each officer of the corporation shall hold office until the annual meeting of the board of directors next following his election and thereafter until his successor is chosen and qualified in his stead or until his death or until his resignation or removal from office. Any officer or agent elected or appointed by the board of directors may be removed at any time by the affirmative vote of a majority of the whole board of directors, but such removal shall be without prejudice to the contract rights, if any, of the

353-01-1544

person so removed. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the board of directors.

E. The president shall be the chief executive officer of the corporation. He shall preside at all meetings of the members and the board of directors, shall have general and active management of the business and affairs of the corporation shall see that all orders and resolutions of the board are carried into effect, and shall perform such other duties as the board of directors shall prescribe.

F. Each vice-president shall have such powers and perform such duties as the board of directors may from time to time prescribe or as to the president may from time to time delegate to him.

G. The secretary shall attend all sessions of the board of directors and all meetings of the members and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for any committees when required. He shall give, or cause to be given, notice of all meetings of the members and special meetings of the board of directors, and shall perform such other duties as may be prescribed by the board of directors or president, under whose supervision he shall be. Each assistant secretary shall have such powers and perform such duties as the board of directors may from time to time prescribe or as the president may from time to time delegate to him.

H. The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements of the corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the board of directors. He shall disburse the funds of the corporation as may be ordered by the board of directors, taking proper vouchers for such disbursements, and shall render to the president and directors, at the regular meetings of the board, or whenever they may require it, an account of all his transactions as treasurer and of the financial condition of the corporation, and shall perform such other duties as the board of directors may prescribe. If required by the board of directors, he shall give the corporation a bond in such form, in such sum, and with such surety or sureties as shall be satisfactory to the board for the faithful performance of the duties of his office and for the

353-01-1545

restoration to the corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the corporation. Each assistant treasurer shall have such powers and perform such duties as the board of directors may from time to time prescribe.

Section 11. All checks or demands for money and notes of the corporation shall be signed by such officer or officers or such other person or persons as the board of directors may from time to time designate.

Section 12. The fiscal year of the corporation shall be fixed by resolution of the board of directors.

Section 13. The corporate seal, if any, shall be in such form as may be determined by the board of directors. Said seal may, but need not, be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

Section 14. The corporation shall indemnify any director, officer, or employee, or former director, officer, or employee of the corporation, against expenses actually and necessarily incurred by him and any amount paid in satisfaction of judgments in connection with any action, suit or proceeding, whether civil or criminal in nature, in which he is made a party by reason of being or having been such a director, officer or employee (whether or not a director, officer or employee at the time such costs of expenses are incurred by or imposed upon him) except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willfull misconduct in the performance of the duty. The corporation may also reimburse to any director, officer or employee the reasonable costs of settlement of any such action, suit or proceedings, if it shall be found by a majority of a committee of the directors not involved in the matter in controversy, whether or not a quorum, that it was to the interest of the corporation that such settlement be made and that such director, officer or employee was not guilty of gross negligence or willfull misconduct. Such rights or indemnification and reimbursement shall not be deemed exclusive or any other rights to which such director, officer, or employee may be entitled by law or under any by-law, agreement, vote of members or otherwise.

ARTICLE II

353-01-1546

ASSESSMENTS

Section 1. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium Project owned or possessed in common by the Owners, and personal property taxes based thereon shall be treated as expenses of administration of the Condominium Project.

Section 2.

A. The Association shall have the right to levy assessments against the Owners and/or Units; provided, however, that (i) such assessments may be levied solely for the purpose of raising revenues to pay for the expenses of operation, management and maintenance of the Condominium Project and (ii) such assessments shall be non-discriminatory. Notwithstanding the foregoing, however, it is understood that assessments made against Owners having designated boat slips to reimburse the Association for levies made by the San Jacinto River Authority (or other applicable governmental body) shall be made separately and individually against those respective Owners. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. Such funds shall include, without limitation, an adequate reserve fund for the maintenance, repair and replacement of those common elements that must be replaced on a periodic basis and shall be payable in regular installments rather than by special assessments. In addition, at the time of the initial sale of each Unit, either the Developer or the purchaser of such Unit shall deposit a sum equal to at least two (2) months' estimated maintenance assessment for each such Unit into a working capital fund for the initial operation of the Condominium Project. The assessment for such year shall be established by the adoption of such annual budget by the Board of Directors of the Association. Copies of such budget shall be delivered to each Owner, although the delivery of a copy of the budget to each Owner shall not affect the liability of any Owner for any existing or future assessments. Should the Board of Directors at any time determine, in the sole discretion of said Board of Directors, that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium Project in any fiscal

353-01-1547

year, then the Board of Directors shall have the authority at any time and from time to time to levy such additional assessment or assessments as it shall deem to be necessary for that purpose.

B. Special assessments, assessments other than those described in Subsection A above, may be made by the Board of Directors of the Association at any time, and from time to time, to meet other needs or requirements of the Association and the Condominium Project including, but not limited to, assessments for costs described in Section 5 of Article I hereof and capital improvements. However, any such special assessment shall not be levied without the prior approval of at least fifty-one percent (51%) of the percentage of values of all of the Owners, except for special assessment to individual Unit Owners for charges levied by the San Jacinto River Authority (or other applicable governmental body) incident to the existence and/or use of boat slips, which may be assessed at any time and from time to time.

C. Assessments levied by the Association against each Owner pursuant to Subsection A and/or Subsection B above which are expended on capital expenditures, or which are set aside in a reserve for future repairs of improvements within the Condominium Project (whether or not such repairs or improvements would otherwise be considered capital in nature pursuant to Section 263 of the Internal Revenue Code of 1954, as amended), shall be treated as capital contributions by such Owner to the Association and shall be shown on the books of the Association as such.

The provisions of this Subsection C may be amended by a majority of the Board of Directors of the Association if, in the sole descretion of said Board of Directors, such action is necessary to conform to any change in the Internal Revenue Code of 1954, as amended, or any Treasury Regulation or Ruling promulgated thereunder. Notwithstanding anything contained in this Declaration and Master Deed to the contrary, any amendment to this Subsection C duly authorized by the Board of Directors of the Association shall not require the consent of any Owner or mortgagee.

Section 3. All assessments levied against the Owner to cover expenses of the Association and the Condominium Project shall be apportioned among and paid by the Owners in accordance with the percentage of value assigned to each Unit according to this Declaration and Master Deed without increase or decrease for the existence of any rights with respect to the use of limited common elements (including without limitation, parking spaces,

353-01-1548

boat slips, patios and/or balconies) appurtenant to such Unit. Assessments shall be due and payable at such times as the Association shall determine, commencing the date of delivery of a deed to a Unit from Developer to subsequent Owner. Prior to such conveyance, Developer shall bear all assessments levied against Units owned by Developer in accordance with the aggregate percentage of value assigned thereto. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association (or applicable party) in full on or before five (5) days after the date of any such assessment. Assessments in default may incur a late charge in amounts determined from time to time by the Board of Directors from the due date until paid. Each Owner shall be, and remain, personally liable for the payment of all assessments which may be levied against such Owner by the Association in accordance with these by-laws, and any unpaid assessments with accrued late charges thereon owed with respect to a Unit may, at the option of the Association, be collected out of the sale proceeds of such Unit in accordance with Section 18 of the Act. In addition, to the extent permitted by law, Developer hereby reserves and assigns to the Association, without recourse, a vendor's lien against each Unit to secure the payment of any regular or special assessment which be levied pursuant to the terms hereof, which liens may be enforced by appropriate judicial proceedings and the expenses incurred in connection therewith, including interest, costs and reasonable attorneys' fees, shall be chargeable to the Owner in default. Such lien shall be subordinated and inferior only to the following (i) assessments, liens and charges in favor of the state and any political subdivision thereof for taxes past due and unpaid on such Unit and (ii) amounts due under any first mortgage instruments duly recorded. Notice of any unpaid assessment, regular or special, may be recorded by the Association in the Condominium Records of Montgomery County, Texas. Notwithstanding anything contained herein to the contrary, any first mortgagee, upon foreclosure of its lien on a Unit, or upon acceptance of a deed in lieu of foreclosure thereon, shall not be required to pay any unpaid assessments owing on said Unit which may have accrued prior to the time such mortgagee acquired title, and in any such event, the Association shall release its lien for any such unpaid assessments.

Section 4. No Owner may exempt himself from liability for his contribution toward the expenses of the Association and the Condominium Project by waiver of the use or enjoyment of any of the Common Elements or by the abandonment, sale or other disposition of his Unit.

Section 5. The Association may, in addition to its rights under Section 3 hereof and Section 18 of the Act, enforce

353-01-1549

collection of delinquent assessments by suit at law for a money judgment, and the expenses incurred in collecting unpaid assessments including interest, costs and attorneys' fees shall be chargeable to the Owner in default. The Association may also bar the use of any boat slip, whether or not designated as a limited common element, and/or may also discontinue the furnishing of any utilities or other services to an Owner in default of his obligations to the Association or other Owners as set forth herein upon seven (7) days' written notice to such Owner of its intent to do so. An Owner in default of his obligations to the Association or other Owner as set forth herein shall not be entitled to vote at any meeting of the Association so long as such default is in existence.

ARTICLE III

OWNER ACTION

Without limiting the other legal rights of any Owner or the Association, legal action may be brought by the Association in its sole discretion on behalf of two (2) or more Owners as their respective interests may appear with respect to any cause of action relating to the Common Elements of more than one (1) Unit.

ARTICLE IV

INSURANCE

Section 1. The Association shall carry a master policy of fire and extended coverage, vandalism and malicious mischief, fidelity and liability insurance, and, if required by law, workmen's compensation insurance (hereinafter referred to as the "Master Policy"), with respect to the Condominium Project and the Association's administration thereof in accordance with the following provisions:

A. The Master Policy shall be purchased by the Association for the benefit of the Association, the Owners and their mortgagees as their interests may appear (subject to the provisions of these by-laws, the Declaration and Master Deed and the Act), and provision shall be made for the issuance of appropriate mortgagee endorsements to the mortgagees of the Owners. The Owners shall obtain insurance coverage upon their personal property at their own expense. The Association and the Owners shall use their best efforts to see that all property and liability insurance carried by an Owner or the Association shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against the Owners or the Association and the respective tenants, servants, agents, and guests of the Owners or the Association, as the case may be.

353-01-1550

B. All buildings, improvements, personal property and other Common Elements of the Condominium Project shall be insured against fire and other perils covered by a standard extended coverage endorsement, (with appropriate endorsements to cover fixtures, installations or additions comprising a part of each building within the unfinished interior surfaces of the perimeter walls, floors and ceilings of individual Units initially installed, or replacements thereof, in accordance with the original plans and specifications for the Condominium Project, specifically referring to and including the interior walls of each Unit), in an amount equal to the maximum insurable replacement value thereof, excluding the cost of excavations, foundations and footings, as determined annually by the Board of Directors of the Association; provided, however, such amount shall be not less than eighty percent (80%) of the maximum insurable value (based upon replacement cost). The Association may, in its sole discretion, elect to carry insurance to cover such other perils as from time to time shall be customarily covered with respect to buildings and improvements similar in construction, location and use. The Association shall use its best efforts to see that the liability insurance carried by the Association shall cover the Common Elements and shall contain, if available, cross-liability endorsements or appropriate provisions for the benefit of the Owners, individually and as a group, the members of the Board of Directors, and the management company, if any, insuring each insured against liability to each other insured. The Association shall also carry fidelity coverage against dishonest acts on the part of the members of the Board of Directors, Owners, the management company, if any, and any other persons (including volunteers, with an appropriate endorsement, if required) handling funds belonging to or administered by the Association. Such fidelity coverage shall be in an amount as determined from time to time by the Board of Directors.

C. All premiums upon insurance purchased by the Association pursuant to these by-laws shall be included in the Association's budget in accordance with Subsection 2A, Article II hereof, except that the amount of increase over such premiums occasioned by the use, misuse, occupancy or abandonment of a Unit or the Common Elements by an Owner shall be assessed only against such Owner.

D. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, the

353-01-1551

Owners and their mortgagees (subject to the provisions of these by-laws, the Declaration and Master Deed and the Act) as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium Project shall be required as provided in Article V of these by-laws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction under the Declaration and Master Deed and these by-laws shall be applied to such repair or reconstruction.

E. Notwithstanding anything contained herein to the contrary, no provision herein, the Declaration or any of the condominium constituent documents shall give any owner or any other person priority over any first mortgagee with respect to the distribution of insurance proceeds.

ARTICLE V

RECONSTRUCTION OR REPAIR; CONDEMNATION

Section 1. If less than two-thirds (2/3rds) of the buildings in the Condominium Project (as determined by the vote or written consent of the majority of the percentage of value assigned to the Owners in the reasonable exercise of their discretion) shall be damaged by fire or any other casualty, then the buildings in the Condominium Project shall be rebuilt or repaired. If more than two-thirds (2/3rds) of the buildings in the Condominium Project (as determined by the vote or written consent of a majority of the percentage of value assigned to such Owners in the exercise of such discretion) shall be damaged by fire or other casualty, then reconstruction shall not be compulsory without the unanimous consent of all Owners. In the event that such Owners decide not to reconstruct the Condominium Project, the land (more particularly described on Exhibit B of this Declaration and Master Deed) shall be sold and such sale proceeds along with any insurance proceeds shall be distributed to each Owner and his mortgagee, as their interests may appear, in accordance with each Owner's percentage of value in the Condominium Project.

Section 2. Any reconstruction or repair of the buildings in the Condominium Project or any Unit located therein shall be substantially in accordance with the Declaration and Master Deed and the original plans and specifications for the buildings in the Condominium Project unless the Owners and their mortgagees shall unanimously decide otherwise.

353-01-1552

Section 3. Each Owner shall be responsible for the reconstruction, repair or replacement of the interior of his Unit, including but not limited to, floor coverings, wall coverings, window shades, draperies, furniture, furnishings, decorative light fixtures, and all appliances located therein irrespective of whether or not such appliances are "built-in" to the Unit and other items of personal property belonging to such Owner. Each Owner shall not be responsible for the reconstruction, repair or replacement of interior walls, fixtures, installations or additions comprising a part of the building within the unfinished interior surfaces of the perimeter walls, floors and ceilings of such Owners' Unit as initially installed, or replacements thereof, in accordance with the original plans and specifications of the Condominium Project, to the extent the same are covered by insurance maintained by the Association. Each Owner shall also be responsible for the costs not otherwise covered by insurance carried by the Association of any reconstruction, repair or replacement of any portion of the Condominium Project necessitated by his negligence or misuse, or the negligence or misuse by his family, tenants, guests, agents, servants, employees or contractors. In the event damage to all or any part of the interior of an Owner's Unit is covered by insurance held by the Association for the benefit of such Owner, then such Owner shall begin reconstruction or repair of such damage upon receipt of the insurance proceeds or any portion thereof from the Association, subject to the rights of the Association to supervise, approve or disapprove such reconstruction or repair during the course thereof. In the event damage to all or any part of the interior of an Owner's Unit is not covered by insurance held by the Association for the benefit of such Owner, then such Owner shall begin reconstruction or repair of his Unit within sixty (60) days after the date such damage, subject to the right of the Association to supervise, approve or disapprove such reconstruction or repair during the course thereof.

Section 4. As soon as possible after the occurrence of a casualty which causes damage to any part of the Condominium Project for which the Association has insurance coverage (hereinafter referred to as the "Casualty") the Association shall obtain reliable and detailed cost estimates of the following:

A. The cost of restoring all damage caused by the Casualty to the general and limited common elements (hereinafter referred to as the "Common Element Costs"); and

B. The cost of restoring that part of the damage caused by the Casualty to each Unit which is or would be covered by insurance held by the Association without regard

353-01-1553

to the policy limits of such insurance (hereinafter referred to as the "Unit Costs").

All insurance proceeds available to the Association with respect to the Casualty shall first be applied to the payment of the actual Common Element Costs and the balance thereof, if any, shall thereafter be applied to the payment of the actual Unit Costs. However, if such insurance proceeds are not sufficient to cover such estimated costs, then an assessment shall be made against the Owners by the Association in the following manner:

A. All Owners shall be assessed on the basis of their percentage of value in the Condominium Project for the payment of the estimated Common Element Costs not otherwise paid for by insurance held by the Association.

B. Each Owner of a damaged Unit shall be assessed an amount equal to the difference between his estimated Unit Costs less a sum calculated by multiplying the amount, if any, of the remaining insurance proceeds held by the Association with respect to the Casualty by a fraction, the numerator of which is his estimated Unit Costs and the denominator of which is the total of all of the estimated Unit Costs.

If actual costs exceed such estimated costs, then an additional assessment shall be made against the Owners by the Association in the above manner based upon actual costs. Any such assessments shall be subordinate to the liens of first mortgages.

Section 5. In the event of any taking of any Unit in the Condominium Project by eminent domain, or private purchase in lieu thereof, subject to, the provisions of Section 6 of this Article V, the Association, as trustee for the Owner of such Unit and his mortgagee, shall be entitled to receive the award for such taking and, after acceptance thereof, if such Owner shall, abandon his Unit by virtue of such taking, he and his mortgagee shall be divested of all interest in the Condominium Project. If any repair or rebuilding of the remaining portions of the Condominium Project is required as a result of such taking, a majority of the percentage of value assigned to the remaining Owners (subject to the provisions below regarding the appointment of the Association as attorney-in-fact) shall determine by vote or written consent whether to rebuild or repair the Condominium Project or to take such other action as such remaining Owners deem appropriate. If no repair or rebuilding shall be required, or shall be undertaken, then the remaining portion of the Condominium Project shall be resurveyed and the Declaration and

353-01-1554

Master Deed and Exhibit B shall be amended to reflect such taking and to proportionately readjust the percentages of value assigned to the remaining Owners based upon a continuing total value of the Condominium Project of one hundred percent (100%).

Section 6. A. This Declaration does hereby make mandatory the irrevocable appointment of an attorney-in-fact to deal with the Condominium Project, in whole or in part, upon its destruction, repair or obsolescence, or if it is subject to condemnation proceedings contemplated herein.

Title to any condominium Unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed or other instrument or conveyance from the Developer or from any owner or grantor shall constitute appointment of the attorney-in-fact herein provided. All of the owners irrevocably constitute and appoint the Association as their true and lawful attorney in their name, place and stead for the purpose of dealing with said property upon its destruction or obsolescence or taking by eminent domain as is hereinafter provided. As attorney-in-fact, the Association, by its President and Secretary or Assistant Secretary, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or any other instrument with respect to the interests of a condominium Owner which are necessary and appropriate to the exercise of the powers herein granted. Any repair, reconstruction or replacement made of the improvement(s) shall be to substantially the same condition existing prior to the damage, with each Unit and the general and limited common elements having substantially the same condition existing prior to the damage, with each Unit and the general and limited common elements having substantially the same vertical and horizontal boundaries as before. The proceeds of any insurance or condemnation proceeds collected shall be available to the Association for the purposes of repair, restoration or replacement unless the owners agree not to rebuild in accordance with the provisions set forth herein. The Association shall have full authority, right and power, as attorney-in-fact, to cause any repair and restoration of the improvement(s) permitted or required hereunder.

In addition, and without limitation on the generality of foregoing, the Association as said attorney shall have the full power and authority to purchase and maintain insurance, to collect and remit the premiums therefor, to collect proceeds of insurance and/or condemnation awards and to distribute the same to the Association, the owners and their respective mortgagees (subject to the provisions hereof) as their interests may appear, to execute releases of liability and to execute all documents and

353-01-1555

to do all things on behalf of such owners and the Condominium Project as shall be necessary or convenient to the accomplishment of the foregoing; and any insurer may deal exclusively with the Association in regard to such matters. The Association shall not be responsible for procurement or maintenance of any insurance covering the contents or the interior of any Unit for the liability of any Owner for occurrences therein not caused by or connection with the Associations's operation, maintenance or use of the Condominium Project.

B. Notwithstanding anything contained herein to the contrary, no provision contained herein or in the Declaration shall give an owner, or any other party, priority over any first mortgagee with respect to distribution of proceeds of insurance or condemnation.

Section 7. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements or in the event of any taking by condemnation of any Unit or the Common Elements, or any part of either, any first mortgagee directly affected thereby shall be given timely written notice of same.

ARTICLE VI

RESTRICTIONS

Section 1. No Unit in the Condominium Project shall be used for other than residential purposes and the Common Elements shall be used only for purposes consistent with residential use. In this regard and in order to control the number of people maintaining primary residence in each Unit and in the project, no more than three (3) persons may occupy any one-bedroom or efficiency unit and no more than four (4) persons may occupy any two-bedroom apartment as their primary residence.

Section 2. No Owner shall make structural alterations or modifications to his Unit or to any of the Common Elements, including the erection of antennae, aerials, awnings, the placement of any reflective or other material in the windows of the Unit (other than uniform draperies approved by the Board of Directors) or other exterior attachments without the prior written approval of the Association. The Association shall not approve any alteration, decoration or modification which would jeopardize or impair the soundness, safety or appearance of the Condominium Project. No Owner shall make any alteration or modification involving plumbing, electricity and/or heating, ventilating or air conditioning within such Owners' Unit, or on or in the Common Elements, without the prior written consent of the Association.

353-01-1556

Section 3. With the express and limited exception of any first mortgagee in possession of a Unit following a default in a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu thereof, no Owner may lease, rent or let his Unit to any other person or persons for transient or hotel purposes. To insure this end, any such leasing, renting or letting shall be for residential purposes and shall be for a term of no less than one (1) month in duration. No Owner shall be permitted to lease less than the entire Unit. Any lease shall be in writing and shall contain covenants obligating the tenant to comply with this Declaration and Master Deed and the By-laws of the Association.

Section 4. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements, nor shall anything be done which may be or become an annoyance or a nuisance to the Owners. No Owner shall do or permit anything to be done or keep or permit to be kept in his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium Project. No Owner shall store any dangerous explosive or flammable liquids or other materials either in his Unit or upon the Common Elements.

Section 5. No signs or other advertising devices which are visible from the exterior of any Unit or upon the Common Elements shall be displayed, including "For Sale" signs, without written permission from the Association.

Section 6. No animals shall be kept except household dogs, cats, birds and fish. Such pets may not be kept or bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No savage or dangerous animal shall be kept. Not more than one (1) such household pet may be kept without written permission of the Board of Directors of the Association. No pets may be permitted to run loose upon the Common Elements, and any Owner who causes any animal to be brought or kept upon the premises of the Condominium Project shall indemnify and hold harmless the Association for any loss, damage, cost or liability which the Association may sustain as a result of the presence of such animal on the premises, whether or not the Association has given its permission therefor. Notwithstanding the generality of the foregoing, if after (i) repeated violations of this provision, (ii) ten (10) days' prior written notice to the owner of such pet(s), and (iii) an opportunity for such owner to have a hearing before the Board of Directors of the Association, such pet(s) is found by the Board to be in violation of this provision, then the owner of such pet(s) shall have ten (10) days in which to dispose of such

353-01-1557

pet(s) to any other person not an occupant of a Unit in the Condominium Project, failing which such pet(s) may be taken from such Owner and given to the Society for the Prevention of Cruelty to Animals of Montgomery County, Texas.

Section 7. The Common Elements shall not be used for storage of supplies, personal property, trash or refuse of any kind (except common trash receptacles, storage buildings or other similar structures which may from time to time be placed upon the Common Elements at the discretion of the Board of Directors of the Association), nor shall the Common Elements be used in any way for the drying, shaking or airing of clothing or other items. Stairs, entrances, sidewalks, yards, driveways and parking areas shall not be obstructed in any way nor shall unauthorized persons or pets play therein or thereon or use such areas for other than their intended purposes. In general, no activities shall be conducted nor condition maintained by any Owner either in his Unit or upon the Common Elements which despoils the appearance of the Condominium Project.

Section 8. Each Owner shall maintain his Unit and any limited common elements appurtenant thereto in clean, safe and sanitary condition. Each Owner shall also use due care to avoid damaging any of the Common Elements, including, but not limited to, telephone, water, gas, plumbing, power or other utility systems throughout the Condominium Project and each Owner shall be responsible for his negligence or misuse of any of the Common Elements or of his own facilities resulting in damage to the Common Elements.

Section 9. Non-discriminatory regulations concerning the use of the Condominium Project shall be promulgated by the first Board of Directors of the Association prior to the first annual meeting of the Association and such regulations, and subsequent regulations duly adopted from time to time by the Board of Directors shall be binding on all members of the Association unless duly amended by at least sixty percent (60%) of the percentage of value assigned to the Owners.

Section 10. The Association or its agents shall have access to each Unit from time to time during reasonable working hours, upon notice to its Owner, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association or its agent shall also have access to each Unit at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit. If requested by the Association, each Owner shall furnish to the Board of Directors of the Association a duplicate key to

137-00-1034

9612853

NOW, THEREFORE, LAKE POINTE OWNERS ASSOCIATION DOES HEREBY AMEND EXHIBIT A TO DECLARATION AND MASTER DEED CONDOMINIUM BY-LAWS AS FOLLOWS, IN ACCORDANCE WITH ACTION TAKEN AT THE ASSOCIATION'S ANNUAL MEETING, OCTOBER 30, 1994.

Article VI - Restrictions

Section 3 - Delete: "...for a term of no less than one (1) month in duration." Insert in its place: "for a term of no less than six (6) months in duration."

Section 12 - Delete: "No boats, trailers or recreational vehicles shall be parked on the premises other than for a period of time reasonably necessary for loading or unloading purposes." Insert in its place: "Boat parking will be allowed in designated area for a period of seventy-two (72) hours or less for Lake Pointe Homeowners who have Temporary Boat Trailer Parking Permits. The property management, acting on behalf of The Board of Directors of this association, has the right to tow violators without warning."

These amendments shall be incorporated into the Declaration and Mater Deed Condominium By-Laws as if originally contained. All other terms and provisions of said Declaration and Mater Deed Condominium By-Laws not amended hereby, shall remain in full force and effect from and after the date hereof.

IN WITNESS WHEREOF, this instrument has been executed for filing of record on 28 of February, 1996

LAKE POINTE OWNERS ASSOCIATION

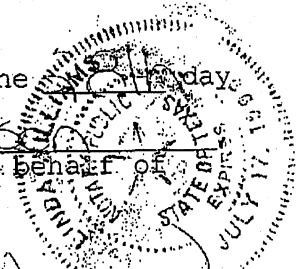
RECORDER'S MEMORANDUM:
At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blackouts, additions and changes were present at the time the instrument was filed and recorded.

BY: Robert Gleason
NAME: ROBERT GLEASON
TITLE: PRESIDENT

THE STATE OF TEXAS
COUNTY OF MONTGOMERY

This instrument was acknowledged before me on the 28 day of February, 1996 by Robert Gleason, President of Lake Pointe Owners Association, on behalf of said association.

Paul Williams
Notary Public in and For
The State of Texas



353-01-1558

the entrance door to his Unit and shall furnish a new duplicate key upon any change of locks thereto.

Section 11. Developer may from time to time rent Units for residence purposes without the consent of the Association.

Section 12. Vehicles not in operating condition shall not be parked upon the premises of the Condominium Project. The Board of Directors may, if it deems it appropriate, prohibit recreational vehicles from being parked on the premises. No boats, trailers or recreational vehicles shall be parked on the premises other than for a period of time reasonably necessary for loading or unloading purposes. No parking space shall be converted for living, recreational or business purposes, nor shall anything be stored in any parking space so as to prevent the parking of a vehicle therein.

Section 13. Except for the provisions of Sections 4, 6 and 8 hereof, none of the restrictions contained in this Article VI shall apply to the sales office, sales models and other commercial activities or signs or billboards, if any, of Developer during the sales period of the Condominium Project or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation and by-laws as the same may be amended from time to time, including without limitation the power of the Association to own a Unit for the use and enjoyment of a resident manager of the Condominium Project.

ARTICLE VII

MORTGAGES

Section 1. Any Owner who mortgages his interest in a Unit shall, within ten (10) days after the execution of such mortgage, give notice to the Association in writing of the name and address of his mortgagee and the amount secured by said mortgage, and the Association shall maintain such information in a book entitled "Mortgagees of Units". Said written notice shall be separately maintained by the Association or by a person designated by the Association. Such Owner shall, in the same manner, notify the Association as to the release or discharge of any such mortgage.

Section 2. The Association shall, at the request of any first mortgagee of any Unit, report to such first mortgagee any unpaid assessments due from the Owner of such Unit to the Association.

Section 3. The Association shall notify each first mortgagee appearing in the book described in Section 1 of this Article VII of the name of each company insuring the Condominium

353-01-1559

Project under the Master Policy and the amounts of the coverages thereunder.

Section 4. The Association shall notify each first mortgagee appearing in the book described in Section 1 of this Article VII of any default by any Owner in the performance of such Owner's obligations hereunder which is not cured within sixty (60) days from the date of such default.

Section 5. The Association shall notify in writing each first mortgagee appearing in the book described in Section 1 of this Article VII of all meetings of the Association.

ARTICLE VIII

TAXATION

Section 1. Each Unit shall be assessed and taxed for all purposes as a separate parcel of real estate, entirely independent of the building of which such Unit is a part, and independent of the Condominium Project or Common Elements thereof (except as set forth above), and each Owner shall be solely responsible for the payment of all taxes, municipal claims, charges and assessments of any nature whatsoever assessed against such Unit. The valuation of General and Limited Common Elements shall be assessed separately to each Owner in accordance with the undivided percentage of value of each Owner as set forth in the Declaration. Such payment shall be made prior to the due date of such taxes, municipal claims, charges and assessments.

ARTICLE IX

AMENDMENT

Section 1. These By-Laws (as opposed to the Declaration and Master Deed of which they are a part) may be amended by the members of the Association from time to time by approval of a majority of the percentage of values assigned to the Owners unless otherwise provided herein, or in the Act. Any such amendment may be evidenced by an instrument in writing signed and acknowledged by the president and secretary of the Association certifying that such amendment has been approved by the vote or written consent of a majority of the percentage of values assigned to the Owners in the Condominium Project, and such amendment shall be effective upon its recordation in the Condominium Records of Montgomery County, Texas. The procedure for proposing amendments hereto shall be the same as provided for proposing amendments to the by-laws of the Association.

353-01-1560

Notwithstanding anything contained herein to the contrary, if any proposed amendment to these by-laws would have the effect of altering or modifying any of the protections afforded purchase money mortgagees pursuant to the regulations promulgated by the Federal Home Loan Mortgage Corporation and/or the Federal National Mortgage Association, then and in such event any such proposed amendment must first be approved by all first mortgagees of Units in the Project before it shall be effective.

Section 2. No amendment to these by-laws shall in any way discriminate against any Unit Owner nor against any Unit nor against any class or group of Owners or Units, unless the Owners so affected shall consent thereto in writing. Neither shall any such amendment make any material change in the Articles entitled "Insurance" or "Reconstruction or Repair; Condemnation" without the prior written consent of all record owners of first mortgages on any Units affected thereby.

ARTICLE X

DEFAULT

Section 1. Failure to comply with (i) the Declaration and Master Deed, (ii) these by-laws or (iii) the Articles of Incorporation, by-laws or duly adopted rules and regulations of the Association shall constitute an event of default and shall be grounds for relief, which may include, without intending to limit the same, an action to recover sums due for damages and injunctive relief, or any combination thereof. The Association or any Unit Owner, as the case may be, may enforce the respective rights provided for in the Declaration and Master Deed or these by-laws.

Section 2. In any proceeding arising because of an alleged default by any Owner, the Association, if successful, shall be entitled to recover the costs of the proceeding including without limitation reasonable attorneys' fees.

ARTICLE XI

CONSTRUCTION

Section 1. In the event these by-laws shall be inconsistent with Declaration and Master Deed, then the Declaration and Master Deed shall be controlling.

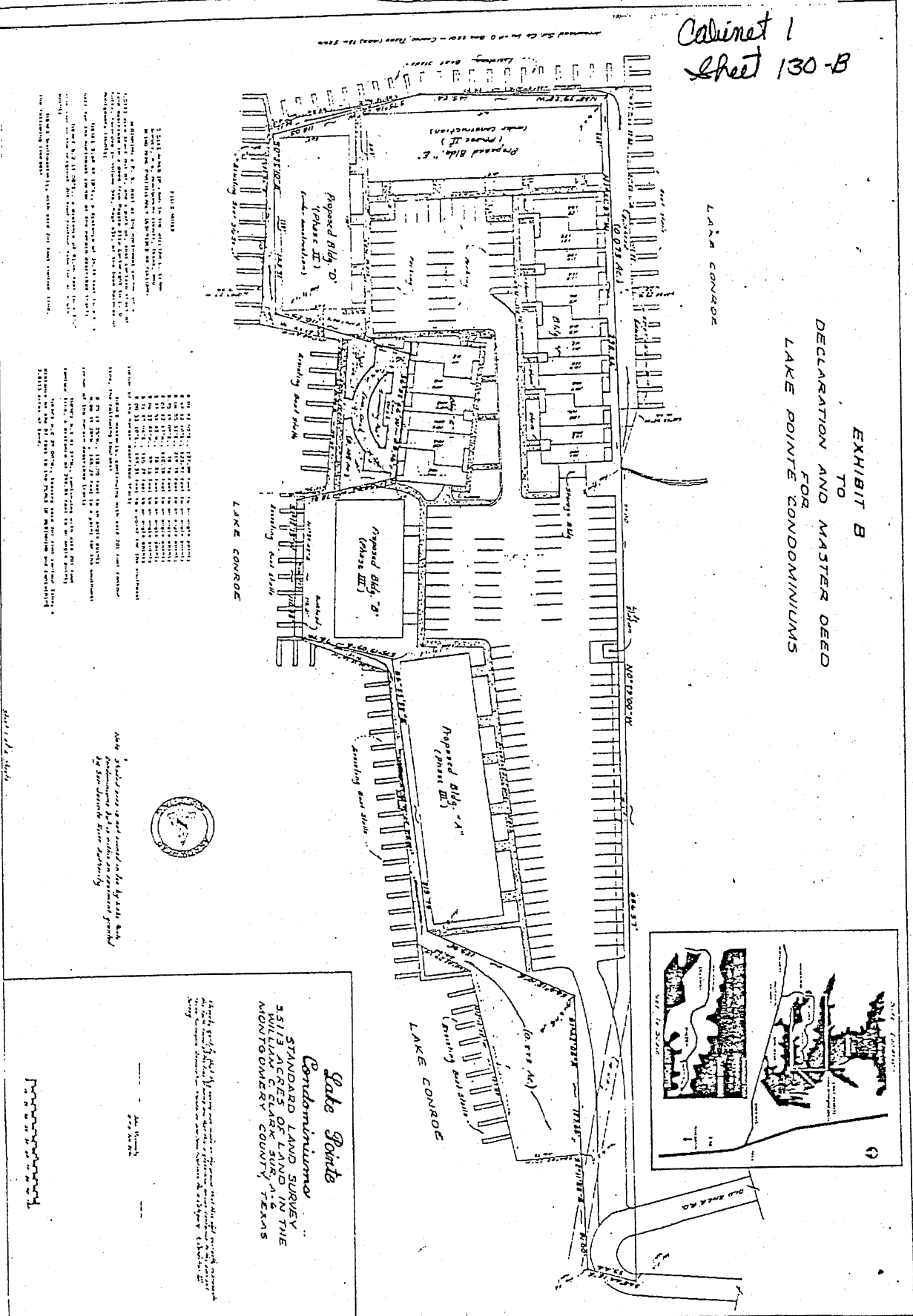
1084296.c
WPO247

RECORDER'S MEMORANDUM: At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All black-outs, additions and changes were present at the time the instrument was filed and recorded

353-01-1561

Cabinet 1
Sheet 130-B

EXHIBIT B
TO
DECLARATION AND MASTER DEED
FOR
LAKE POINTE CONDOMINIUMS



2011...
2012...
2013...
2014...
2015...
2016...
2017...
2018...
2019...
2020...
2021...
2022...
2023...
2024...
2025...
2026...
2027...
2028...
2029...
2030...
2031...
2032...
2033...
2034...
2035...
2036...
2037...
2038...
2039...
2040...
2041...
2042...
2043...
2044...
2045...
2046...
2047...
2048...
2049...
2050...
2051...
2052...
2053...
2054...
2055...
2056...
2057...
2058...
2059...
2060...
2061...
2062...
2063...
2064...
2065...
2066...
2067...
2068...
2069...
2070...
2071...
2072...
2073...
2074...
2075...
2076...
2077...
2078...
2079...
2080...
2081...
2082...
2083...
2084...
2085...
2086...
2087...
2088...
2089...
2090...
2091...
2092...
2093...
2094...
2095...
2096...
2097...
2098...
2099...
2100...



Lake Pointe
Condominiums
STANDARD LAND SURVEY
5411 AC OF LAND IN THE
WILSON & CLARK SURV. A-6
MONTGOMERY COUNTY, TEXAS

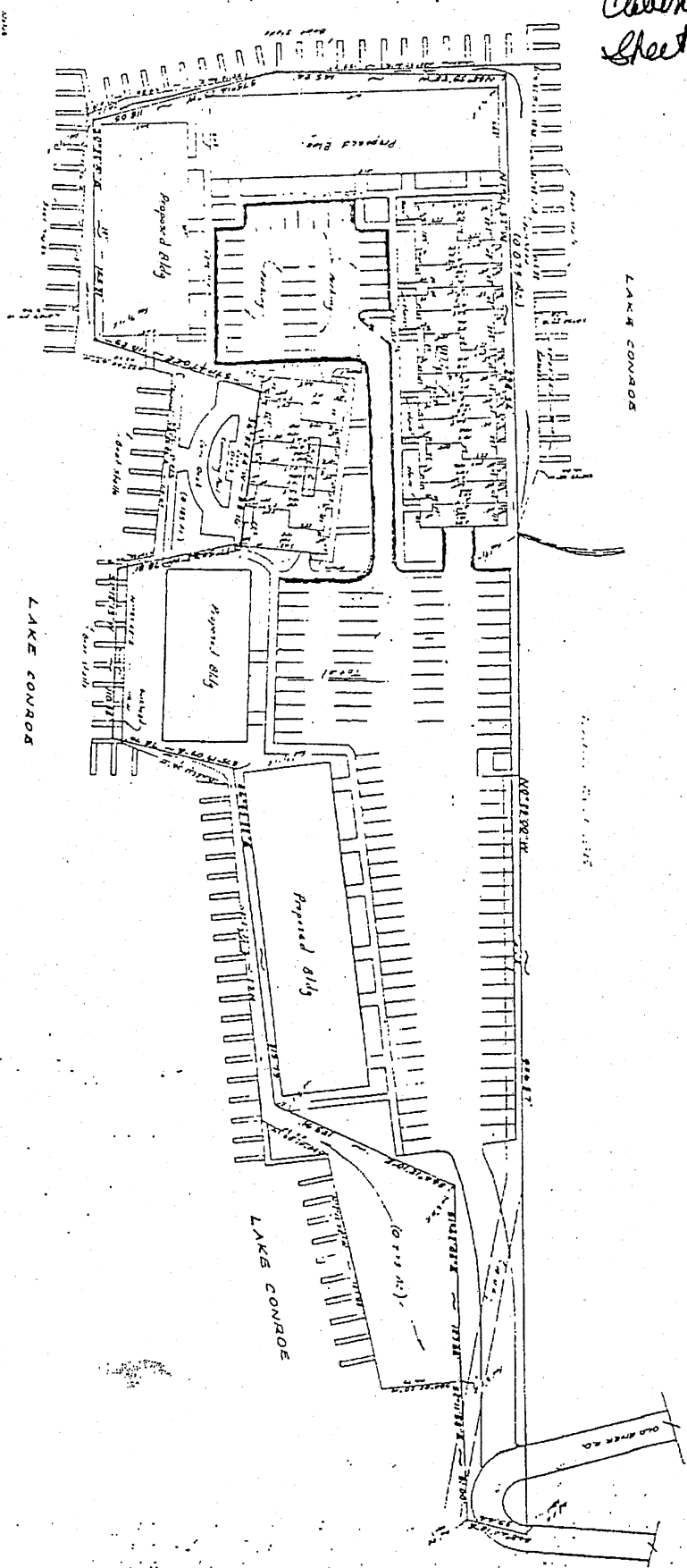
RECORDER'S MEMORANDUM:

At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All black-outs, additions and changes were present at the time the instrument was filed and recorded

353-01-1562

*Cabinet /
Sheet 131-A*

*NOTE:
The purpose of this plan is to show the
proposed buildings and parking areas
and to show the location of the
existing buildings and parking areas.
The plan is not intended to show
the exact location of the buildings
and parking areas, but to show
the general location and the
relative positions of the buildings
and parking areas.*



Lake Pointe Condominiums

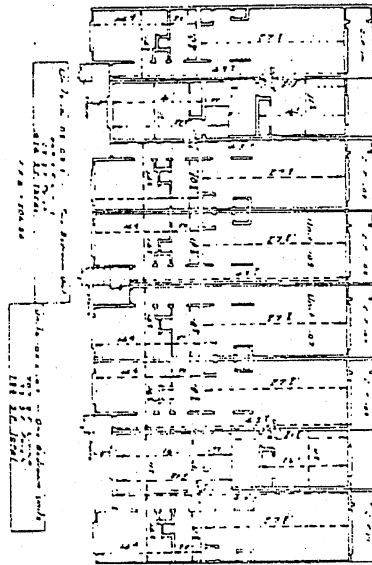
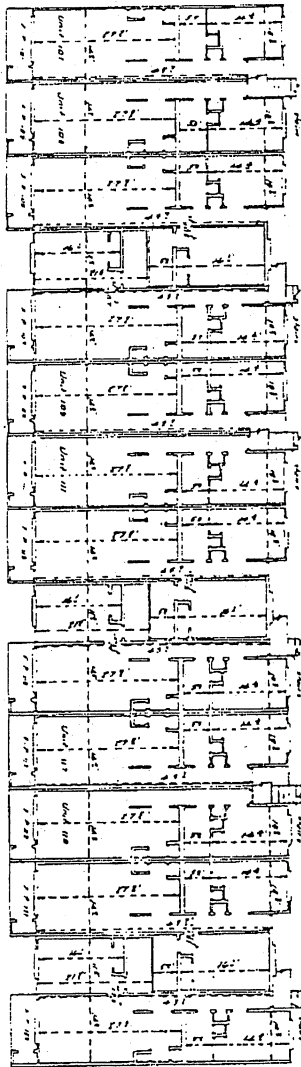
RECORDER'S MEMORANDUM:

At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All black-outs, additions and changes were present at the time the instrument was filed and recorded

353-01-1563

*Cabinet 1
Sheet 131-B*

*10/18/03
10:01:01 AM
10/18/03*



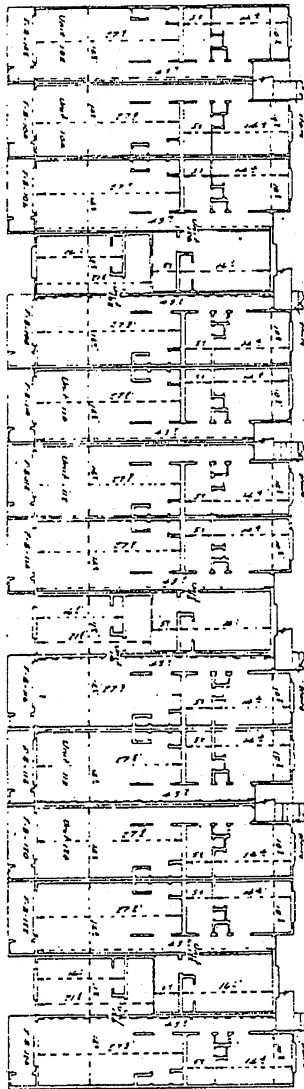
Sala Pinta Condominiums (Phase I)

RECORDER'S MEMORANDUM
At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All black-outs, additions and changes were present at the time the instrument was filed and recorded

353-01-1564

*Cabinet 1
Sheet 132-A*

*Legend
C.H. 100 - Building to Unit 100, 200, 300, 400, 500, 600, 700, 800, 900, 1000
C.H. 101 - Building to Unit 100, 200, 300, 400, 500, 600, 700, 800, 900, 1000
C.H. 102 - Building to Unit 100, 200, 300, 400, 500, 600, 700, 800, 900, 1000*



BUILDING FLOOR
SECOND FLOOR

*UNIT 100
UNIT 200
UNIT 300
UNIT 400
UNIT 500
UNIT 600
UNIT 700
UNIT 800
UNIT 900
UNIT 1000*



BUILDING FLOOR
SECOND FLOOR



STATE OF TEXAS
COUNTY OF MONTGOMERY
I hereby certify that this instrument was filed in File Number Sequence on the date and at the time stamped hereon by me, and was duly RECORDED, in the official Public Records of Real Property of Montgomery County, Texas

JUL 24 1985



Roy Harris
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

FILED FOR RECORD

1985 JUL 24 PM 12: 00

Roy Harris
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

State Parks (Antoniomics) (Sheet II)