

1278699

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
(HEATHERWOOD VILLAGE, SECTION THREE)

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

THIS DECLARATION, made on the date hereinafter set forth by FIRST GENERAL REALTY CORPORATION, a Texas corporation, (hereinafter referred to as "Declarant"), and Declarant being joined herein to the extent herein stated by FIRST NATIONAL BANK OF DALLAS (hereinafter called "Bank"),

W I T N E S S E T H:

WHEREAS, Declarant is the owner of that certain tract of land situated in Harris County, Texas, which is more particularly described as:

Lots Eighteen (18) through Twenty-One (21), both inclusive in Block One (1);

Lots Fifteen (15) through Twenty-One (21), both inclusive in Block Two (2);

Lots One (1) through Two (2), both inclusive in Block Five (5);

Lots One (1) through Twenty-Seven (27), both inclusive in Block Seventeen (17);

Lots One (1) through Seventy-One (71), both inclusive in Block Eighteen (18);

Lots One (1) through Twenty (20), both inclusive in Block Nineteen (19);

Lots One (1) through Fifty-Five (55), both inclusive in Block Twenty (20);

All of said lots being in HEATHERWOOD VILLAGE, SECTION THREE (3), according to map or plat thereof, recorded in Volume 246, Page 109, Map Records of Harris County, Texas.

RECORDER'S MEMORANDUM:
This instrument is not satisfactory for photographic
recording due to carbon or photo copy, discolored
paper, etc. or due to illegibility. All block-outs, ad-
ditions and changes were present at time instrument
was filed and recorded.

and Declarant desires to impose upon such properties and Bank is willing to make its liens subject to the covenants, conditions and restrictions herein set forth.

NOW THEREFORE, Declarant hereby declares that all the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall constitute covenants running with the real property, shall be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof and the Heatherwood Village Community Association, Inc.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Heatherwood Village Community Improvement Association, Inc., its successors and assigns. The Association has the power to collect and disburse those maintenance assessments as described in Article IV.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to: (a) that certain real property first hereinabove described, and (b) such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Lot" shall mean and refer to any plat of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area and Reserves, if any.

Section 5. "Common Area" shall mean all real property together with the improvements thereon owned by the Association for the common use and benefit of the Owners.

Section 6. "Declarant" shall mean and refer to not only First General Realty Corporation but also to such of its successors or assigns (whether immediate or remote), as successor developer of all or a substantial portion of the lots in the undeveloped state, but shall not include any purchaser of one or more developed Lots. For the purposes of this Declaration, "developed Lot" shall mean a Lot with the street on which it faces opened and improved and with utilities installed and ready to furnish utility service to such Lot, and "undeveloped Lot" is any Lot which is not a developed Lot.

ARTICLE II

USE RESTRICTIONS

Section 1. Single Family Residential Construction. No building shall be erected, altered or permitted to remain on any Lot other than one detached single-family residential dwelling not to exceed two and one-half (2-1/2) stories in height, a private garage for not more than three (3) cars and bona fide servants' quarters which structures shall not exceed the main dwelling in height and which structure may

be occupied only by a member of the family occupying the main residence on the building site or by domestic servants employed on the premises and no room(s) in the dwelling and no space in any other structure shall be let or rented. This shall not preclude the main residential structure from being leased or rented in its entirety as a single residence to one family or person.

Section 2. Architectural Control. No buildings or improvements of any character shall be erected or placed or the erection thereof begun, or changes made in the design thereof after original construction, on any Lot until the construction plans and specifications and a plan showing the location of the structure or improvements have been submitted to and approved in writing by the Architectural Control Committee, as to compliance with these restrictions, quality of material, harmony of external design with existing and proposed structures and as to location with respect to topography and finish grade elevation. The initial members of the Architectural Control Committee shall be S. M. Gilmore, Don Nicholas, and R. H. Basden. If there exists at any time one or more vacancies in the Architectural Control Committee, the remaining member or members of such Committee may designate successor member(s) to fill such vacancy or vacancies. By majority vote, the Committee may designate representatives to act for it. The Architectural Control Committee and the individual members thereof shall not be liable for any act or omission in performing or purporting to perform the functions delegated hereunder. In the event the Committee fails to indicate its approval or disapproval within thirty (30) days after the receipt of the required documents, approval will not be required and the related covenants set out herein shall be deemed to have

been fully satisfied. Declarant hereby retains its right to assign the duties, powers and responsibilities of the Architectural Control Committee to Heatherwood Village Community Association, Inc. when one hundred (100%) percent of all Lots in Heatherwood Village, Section Three, and all subsequent sections of Heatherwood Village are occupied by residents, and the term "Architectural Control Committee" herein shall include the Association, as such assignee. The approval or lack of disapproval by the Architectural Control Committee shall not be deemed to constitute any warranty or representation by such Committee including, without limitation, any warranty or representation relating to fitness, design or adequacy of the proposed construction or compliance with applicable statutes, codes and regulations.

Section 3. Minimum Square Footage Within Improvements.

The living area on the ground floor of the main residential structure (exclusive of porches, garages and servants' quarters) shall be not less than Twelve Hundred Fifty (1,250) square feet for one-story dwellings. The total living area for a multi-story dwelling shall be not less than Fourteen Hundred (1,400) square feet. The Architectural Control Committee, at its sole discretion, is hereby permitted to approve deviations in any building area herein prescribed in instances which in its sole judgment such deviation would result in a more common beneficial use. Such approvals must be granted in writing and when given will become part of these restrictions to the extent of the particular lot involved.

Section 4. Exterior Materials. The exterior materials of the main residential structure and any attached garage and servants' quarters shall be not less than fifty-one (51%) percent masonry on the ground floor, unless otherwise approved by the Architectural Control Committee.

Section 5. Location of the Improvements upon the Lot.

No building or other improvements shall be located on any Lot nearer to the front lot line or nearer to the street sideline than the minimum building setback line shown on the recorded plat. No building shall be located on any Lot nearer than ten (10) feet to any side street line. Subject to the provisions of Section 6, no building shall be located nearer than five (5) feet to an interior lot line, except that a garage or other permitted accessory building located sixty (60) feet or more from the front lot line may be minimum distance of three (3) feet from an interior lot line. For the purposes of this covenant or restriction, eaves, steps and unroofed terraces shall not be considered as part of a building, provided, however, that this shall not be construed to permit any portion of the construction on a Lot to encroach upon another Lot.

Section 6. Composite Building Site. Any Owner of one or more adjoining Lots (or portions thereof) may consolidate such Lots or portions into one single-family residence building site, with the privilege of placing or constructing improvements on such site, in which case setback lines shall be measured from the resulting side property lines rather than from the lot lines shown on the recorded plat. Any such proposed composite building site(s) must be approved by the Architectural Control Committee.

Section 7. Utility Easements. Easements for installation and maintenance of utilities are reserved as shown and provided for on the recorded plat and no structure of any kind shall be erected upon any of said easements. Neither Declarant nor any utility company using the easements shall be

liable for any damage done by either of them or their assigns, their agents, employees or servants to shrubbery, trees, flowers or improvements of the owner located on the land within or affected by said easements.

Section 8. Prohibition of Trade and Offensive Activities.

No activity, whether for profit or not, shall be carried on on any Lot which is not related to single family residential purposes. No noxious or offensive activity of any sort shall be permitted nor shall anything be done on any Lot which may be or become an annoyance or a nuisance to the neighborhood.

Section 9. Use of Temporary Structures.

No structures of a temporary character, mobile home, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence. Portable buildings used for accessory or storage purposes shall be limited to not more than eight (8) feet in height and shall be subject to approval of the Architectural Control Committee. Temporary structures may be used as building offices and for related purposes during the construction period. Such structures shall be inconspicuous and sightly and shall be removed immediately after completion of construction and shall be subject to approval of the Architectural Control Committee.

Section 10. Storage of Automobiles, Boats, Trailers and Other Vehicles. No boat trailer, boats, travel trailers, inoperative automobiles, campers, or vehicles of any kind shall be semi-permanently or permanently stored in the public street right-of-way or forward of the front building line. Storage of such items and vehicles must be screened from public view, either within the garage or behind a fence which encloses the rear of the Lot.

Section 11. Mineral Operation. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall any wells, tanks, tunnels, mineral excavation, or shafts be permitted upon or in any Lot. No derrick or other structures designed for the use of boring for oil or natural gas shall be erected, maintained, or permitted upon any Lot.

Section 12. Animal Husbandry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot except that dogs, cats or other common household pets of the domestic variety may be kept provided that they are not kept, bred or maintained for commercial purposes and provided that no more than two (2) of each type animal is kept.

Section 13. Walls, Fences and Hedges. No wall, fence or hedge shall be erected or maintained nearer to the front lot line than the front building line on such Lot, nor on corner lots nearer to the side lot line than the building setback line parallel to the side street. No side or rear fence, wall or hedge shall be more than six (6) feet in height. No chain link fence type construction will be permitted on any Lot. Any wall, fence or hedge erected on a Lot by Declarant, or its assigns, shall pass ownership with title to the Lot and it shall be Owner's responsibility to maintain said wall, fence or hedge thereafter.

Section 14. Visual Obstruction at the Intersection of Public Streets. No object or thing which obstructs sight lines at elevations between two (2) and six (6) feet above the surface of the streets within the triangular area formed by the curb lines of the streets involved and a line running from curb line to curb line at points twenty-five

(25) feet from the junction of the street curb lines shall be placed, planted or permitted to remain on any corner lots.

Section 15. Lot Maintenance. The Owner or occupants of all Lots shall at all times keep all weeds and grass thereon cut in a sanitary, healthful and attractive manner and shall in no event use any Lot for storage of material and equipment except for normal residential requirements or incident to construction of improvements thereon as herein permitted. The accumulation of garbage, trash or rubbish of any kind or the burning (except as permitted by law) of any such materials is prohibited. In the event of default on the part of the Owner or occupant of any Lot in observing the above requirements or any of them, such default continuing after ten (10) days' written notice thereof, Declarant or its assigns, may without being under any duty to so do, in trespass or otherwise, enter upon said Lot, cut, or cause to be cut, such weeds and grass and remove or cause to be removed, such garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions and to place said Lot in a neat, attractive, healthful and sanitary condition, and may charge the Owner or occupant of such Lot for the cost of such work. The Owner or occupant, as the case may be, agrees by the purchase or occupation of the Lot to pay such statement immediately upon receipt thereof.

Section 16. Visual Screening on Lots. The drying of clothes in public view is prohibited, and the Owner or occupants of any Lots at the intersection of streets or adjacent to parks, playgrounds or other facilities where the rear yard or portion of the Lot is visible to the public

shall construct and maintain a drying yard or other suitable enclosure to screen drying clothes from public view.

Similarly, all yard equipment, woodpiles or storage piles shall be kept screened by a service yard or other similar facility so as to conceal them from view of neighboring Lots, streets or other property.

Section 17. Signs, Advertisements, Billboards. No sign, advertisement, billboard or advertising structure of any kind shall be placed, maintained or displayed to the public view on any Lot except one sign for each building site, of not more than five (5) square feet, advertising the property for sale or rent. Declarant or its assigns, shall have the right to remove any such sign, advertisement, billboard or structure which is placed on said Lots, and in doing so shall not be subject to any liability for trespass or other tort in connection therewith or arising from such removal. Declarant or its assigns, may maintain, as long as it owns property in Heatherwood Village, Section Three in or upon such portions of the Properties as Declarant may determine, such facilities as in its sole discretion may be necessary or convenient, including, but without limitation to offices, storage areas, model units and signs, and Declarant may use, and permit such builders (who are at the relevant time building and selling houses in Heatherwood Village, Section Three, and/or subsequent sections of Heatherwood Village) to use residential structures, garages or other permitted accessory buildings for sales offices and display purposes but all rights of Declarant and of any builder acting with Declarant's permission under this sentence shall be operative and in effect only during the construction and initial sales period within the area composed

of Heatherwood Village, Section Three, and subsequent sections of Heatherwood Village.

Section 18. Roofing Material. The roof of all buildings (including any garage or servants' quarters) shall be constructed or covered with (1) wood shingles or (2) asphalt or composition shingles comparable in color to wood shingles. The decision of such comparison shall rest exclusively with the Architectural Control Committee. Any other type of roofing material shall be permitted only at the sole discretion of the Architectural Control Committee upon written request.

Section 19. Maximum Height of Antennae. No electronic antenna or device of any type other than an antenna for receiving normal television signals shall be erected, constructed, placed or permitted to remain on any Lot, houses, or buildings. Television antennae may be attached to the house provided however, such antenna must be located to the rear of the roof ridge line, gable or center line of the principal dwelling. Freestanding antennae must be attached to and located behind the rear wall of the main residential structure. No antennae, either freestanding or attached, shall be permitted to extend more than ten (10) feet above the roof of the main residential structure on the Lot, or shall be erected on a wooden pole.

Section 20. Sidewalks. Before the dwelling unit is completed and occupied, the Lot Owner shall construct a concrete sidewalk four (4) feet in width parallel to the street curb two (2) feet back from the boundary lines of the Lot into the street right-of-way and/or to street curbs in the case of corner lots. Owners of corner lots shall install such a sidewalk both parallel to the front lot line and parallel to the side street lot line. Such sidewalks shall comply with all Federal, State and County regulations respecting construction and/or specifications, if any.

Section 21. Underground Electric Service. An underground electric distribution system will be installed in that part of Heatherwood Village, Section Three, designated Underground Residential Subdivision, which underground service area shall embrace all Lots in Heatherwood Village, Section Three, The Owner of each Lot in the Underground Residential Subdivision shall, at his own cost, furnish, install, own and maintain (all in accordance with the requirements of local governing authorities and the National Electrical Code) the underground service cable and appurtenances from the point of the electric company's metering on customer's structure to the point of attachment at such company's installed transformers or energized secondary junction boxes, such point of attachment to be made available by the electric company at a point designated by such company at the property line of each lot. The electric company furnishing service shall make the necessary connections at said point of attachment and at the meter. In addition the Owner of each such Lot shall, at his own cost, furnish, install, own and maintain a meter loop (in accordance with then current standards and specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for the residence constructed on such Owner's Lot. For so long as underground service is maintained in the Underground Residential Subdivision, the electric service to each Lot therein shall be underground, uniform in character and exclusively of the type known as single phase, 120/140 volt, three wire, 60 cycle, alternating current.

The electric company has installed the underground electric distribution system in the Underground Residential Subdivision at no cost to the Developer (except for certain conduits, where applicable) upon the Developer's representation

that the Underground Residential Subdivision is being developed for single-family dwellings and/or townhouses of the usual and customary type, constructed upon the premises, designed to be permanently located upon the Lot where originally constructed and built for sale to bona fide purchasers (such category of dwelling and/or townhouses expressly excludes, without limitation, mobile homes and duplexes). Therefore, should the plans of Lot Owners in the Underground Residential Subdivision be changed so that dwellings of a different type will be permitted in such Subdivision, the company shall not be obligated to provide electric service to a Lot where a dwelling of a different type is located unless (a) Developer has paid to the company an amount representing the excess in cost, for the entire Underground Residential Subdivision, of the underground distribution system over the cost of equivalent overhead facilities to serve such Subdivision, or (b) the Owner of such Lot, or the applicant for service, shall pay to the electric company the sum of (1) \$1.00 per front lot foot, it having been agreed that such amount reasonably represents the excess in cost of the underground distribution system to serve such Lot, plus (2) the cost of rearranging and adding any electric facilities serving such Lot, which rearrangement and/or addition is determined by the company to be necessary.

ARTICLE III

HEATHERWOOD VILLAGE COMMUNITY ASSOCIATION, INC.

MEMBERSHIP AND VOTING RIGHTS.

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership;

Class A. Class A members shall be all Owners, with the exception of Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot. Holders of future interests not entitled to present possession shall not be considered as Owners for the purposes of voting hereunder.

Class B. The Class B member(s) shall be Declarant or its successors or assigns and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(1) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership including duly annexed areas.

(2) on January 1, 1990.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Declarant, in the case of each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, shall be deemed to covenant and agree to pay to the Association: (1) annual

assessments or charges, and (2) special assessments for capital improvements or for repayment of funds borrowed and used in payment of capital improvements. Such assessments shall be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interests, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of the Lot at the time when the assessment fell due. Appropriate recitations in the deed conveying each Lot will evidence the retention of a vendor's lien by Declarant for the purpose of securing payment of said charge assigned to the Heatherwood Village Community Improvement Association, Inc. without recourse on Declarant in any manner for the payment of said charge and indebtedness.

Section 2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment shall be One Hundred Twenty Dollars (\$120.00) per lot.

(a) From and after January 1, of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year by an amount equal to not more than five (5%) percent above the maximum assessment which could have been made without a vote of the membership in the case of the previous year.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased to an amount in excess of five (5%) percent of the maximum assessment for the previous year by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for such purpose.

(c) The Board of Directors of the Association may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements.

In addition to the annual assessment authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 shall be mailed (by U.S. first class mail) to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty (60%) percent of all the votes of each class of membership shall constitute a quorum. If the

required quorum is not present at any such meeting, the meeting shall be adjourned but another meeting may be called subject to the same notice requirement, but the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum applicable in the case of the preceding meeting to each class of membership. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Rate of Assessment. All Lots in Heatherwood Village, Section Three, shall commence to bear their applicable maintenance fund assessment simultaneously and Lots in Heatherwood Village, Section Three, owned by Declarant are not exempt from assessment. Lots which are occupied by residents shall be subject to the annual assessment determined by the Board of Directors in accordance with the provisions of Sections 3 and 7 hereof. Improved Lots in Heatherwood Village, Section Three, which are not occupied by a resident and which are owned by Declarant, a builder, or a building company, shall be assessed at the rate of one-half (1/2) of the annual assessment above. The rate of assessment for an individual Lot, within a calendar year, can change as the character of ownership and the status of occupancy by a resident changes, and the applicable assessment for such Lot shall be prorated according to the rate required during each type of ownership.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots in Heatherwood Village, Section Three, on the first day of January 1, 1978. The annual assessment shall be adjusted according to the number of months remaining in the then current calendar years. The Board of Directors shall fix the amount of the annual

assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be mailed (by U.S. first class mail) to every Owner subject thereto. The payment dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid and the amount of any delinquencies. The Association shall not be required to obtain a request for such certificate signed by the Owner but may deliver such certificate to any party who in the Association's judgment has a legitimate reason for requesting same.

Section 8. Effect of Nonpayment of Assessments:
Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date until paid at the rate of ten (10%) percent per annum. The Association may bring action at law against the Owner personally obligated to pay the assessment, or foreclose the lien against the Lot involved. No Owner may waive or otherwise escape liability for the assessments provided for herein by non use of the Common Area or abandonment of his lot.

Section 9. Subordination of the Lien to Mortgages.
The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage existing at any time upon the particular Lot involved. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure (whether by exercise of power of sale or otherwise) or any proceeding in lieu thereof, shall extinguish the lien

of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof, but such lien shall exist as, and constitute, a separate and distinct charge and lien on each Lot.

ARTICLE V

GENERAL PROVISIONS

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

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

Section 3. Owner's Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every lot subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common area.

(b) The right of the Association to suspend the voting rights and right to use of the recreation facility by an Owner for any period during

which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for each infraction of its published rules and regulations.

(c) The right of the Association to dedicate or transfer all or any part of the Common area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of the members agreeing to such dedication or transfer has been recorded in the Public Records of Real Property in Harris County, Texas.

(d) The right of the Association to collect and disburse those funds as set forth in Article IV.

Section 4. Delegation of Use. Any Owner may delegate in accordance with the By-Laws of the Heatherwood Village Community Association, Inc. his right of enjoyment to the Common Area and facilities to the members of his family, his tenants or contract purchasers who reside on the property.

Section 5. Amendment. The covenants and restrictions of this declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by those Owners owning not less than ninety (90%) percent of the Lots within Heatherwood Village, Section Three, and thereafter by an instrument signed by those Owners owning not less than seventy-five (75%) percent of the Lots within Heatherwood Village, Section Three. No person shall be charged with notice of or inquiry

with respect to any amendment until and unless it has been filed for record in the Official Public Records of Real Property of Harris County, Texas.

Section 6. Annexation. Additional residential property and Common Area may be annexed to the Properties by the Board of Directors provided that the Federal Housing Administration and Veterans Administration determine that such annexation is in accord with the general plan heretofore approved by them.

Section 7. Lienholder. Bank joins herein solely for the purpose of subordinating the liens held by it of record upon the Properties to the covenants, conditions and restrictions hereby imposed by Declarant with, however, the stipulation that such subordination does not extend to any lien or charge imposed by or provided for in this Declaration.

Section 8. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of subsequent Sections of Heatherwood Village and amendment of this Declaration of Covenants, Conditions and Restrictions.

Section 9. Books and Records. The books, records and papers of the Association shall, during reasonable business hours, be subject to inspection by any member. The Articles of Incorporation, By-Laws of the Association, and Restrictive Covenants shall be available for inspection by any member at the principal office of the Association where copies may be purchased at a reasonable cost.

Dated this the 29th day of AUGUST, 1977. (2)

FIRST GENERAL REALTY CORPORATION

By: Steve M. Almon
Vice President