

which are subject to the jurisdiction and administration by the Association. In addition to the other provisions appearing within this Article, the Board of Directors of the Association is specifically authorized to recommend, adopt implement and enforce rules, regulations, mechanisms and procedures governing use of the entry gate, streets and roads covering items such as (but not necessarily limited to):

- (a) identification and entry programs for Owners and their respective immediate families, their guests and invitees and vehicles owned or driven by any of them;
- (b) speed limits, designated parking areas, restricted parking areas and no-parking areas;
- (c) signs and graphics to provide announcements to unauthorized personnel concerning potential criminal trespass matters;
- (d) a “fines” system through which the Association can levy and collect fines from its Members for violations of the applicable rules and regulations; and
- (e) disclaimers of liability for any and all matters or occurrences on or related to the Common Areas.

The streets and roads in the Subdivision are dedicated for the private use and benefit of lot owners within the subdivision. The Association shall be responsible for the maintenance and upkeep of the streets and roads and shall be authorized to assess and collect a maintenance fee against the subdivision lots and to expend funds so collected for such purposes. Notwithstanding this private dedication, the dedication includes an easement covering the street area which permits the installation, operation and maintenance of water, sewer, gas, electric, telephone cable television or other such utilities by utilities lawfully entitled to provide service to the Subdivision or the abutting property. The dedication also includes a right of access to public agencies engaged in both routine and emergency public services, including law enforcement, fire protection, medical response, inspection and code enforcement. The Declarant, until all lots are sold, and the Association may make an offer of public dedication of private streets. If Declarant does not do so, then such dedication must be authorized by the affirmative vote of a majority of lot owners within the Subdivision. To be effective, an offered public dedication must be accepted by a formal vote of the governing body of the public entity that has jurisdiction over the streets. Until formally accepted, private streets that are offered for public dedication remain the responsibility of the Association.

Additionally, as required by City Code and as shown on the plat, the streets or alleys are dedicated for private use, but the dedication includes an easement covering the street area which permits the installation, operation and maintenance of water, sewer, gas, electric, telephone, cable television or other such utility facilities by the city and other utilities lawfully entitled to provide service to the butting property. The easement also provides a right of access to public agencies engaged in both routine and emergency public services including law enforcement, fire protection, medical response, inspection and code enforcement.

Storm water detention facilities, private streets and common areas, and streetlights not maintained by a governmental entity shall be maintained by the property owners within the subdivision. The City of Conroe may repair any such private facility if it determines that its condition would interfere with the provision of any governmental service or pose a significant threat of injury to persons or property outside the subdivision. A repair made by the City shall not obligate the City for future maintenance of the facility. The cost of repairs by City shall be assessed against the owners of the lots within the subdivision. Such assessments are secured by a continuing vendor's lien in favor of the City that is hereby established upon each lot. This provision shall be a covenant running with the land and shall be binding on each person purchasing a lot within the subdivision.

ARTICLE II.

Reservations, Exceptions and Dedications

Section 1. The Subdivision Plat dedicates for use as such, subject to the limitations set forth therein, the streets, and easements shown thereon and such Subdivision Plat further establishes certain restrictions applicable to the Properties, including, without limitation, certain minimum setback lines. All dedications, limitations, restrictions and reservations shown on the Subdivision Plat are incorporated herein and made a part hereof as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed, or conveyance executed or to be executed by or on behalf of Declarant, conveying said property or any part thereof, whether specifically referred to therein or not.

Section 2. Declarant reserves the easements and rights-of-way as shown on the Subdivision Plat for the purpose of constructing, maintaining and repairing a system or systems of electric lighting, electric power, telegraph and telephone line or lines, gas, sewers, or any other utility Declarant sees fit to install in, across and/or under the Properties.

Section 3. Declarant reserves the right to make changes in and additions to the above easements for the purpose of most efficiently and economically installing the improvements.

Section 4. Declarant reserves the right, during installation of roads or streets as shown on the Subdivision Plat, to enter onto any Lot or Lots for the purpose of disposing of street excavations, including the removal of any trees, if necessary, whether or not the Lot or Lots have been conveyed to and/or contracted for by any other Owner or Owners.

Section 5. Neither Declarant nor any utility company using the easements herein referred to shall be

liable for any damages done by them or their assigns, their agents, employees or servants, to fences, shrubbery, trees or flowers or any other property of the Owner situated on the land covered by said easements.

Section 6. It is expressly agreed and understood that the title conveyed by Declarant to any Lot or parcel of land within the properties by contract, deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph or telephone purposes and shall convey no interest in any pipes, lines, poles or conduits, or in any utility facility or appurtenances, thereto construed by or under Declarant or any easement owner, or their agents through, along or upon the premises affected thereby, or any part thereof, to serve said land or any other portion of the Properties, and where not affected, the right to maintain, repair, sell or lease such appurtenances to any municipality, or other governmental agency or to any public or to any public service corporation or to any other party, and such right is hereby expressly reserved.

Section 7. Certain subdivision improvements that are required by the subdivision regulations of the City of Conroe, Texas, have been privately dedicated for the use and benefit of property owners within the subdivision. The improvements described in this Section 7 consist of storm water detention facilities are required improvements that are dedicated for the private use and benefit of lot owners within the subdivision. The maintenance entity known as The Estates Community Improvement Association shall be responsible for the maintenance and upkeep of these required improvements and shall be authorized to assess and collect a maintenance fee against the subdivision lots and to expend funds so collected for such purposes.

ARTICLE III.

Use Restrictions

Section 1. Land Use and Building Type. All lots shall be known and described as Lots for single-family residential dwellings. As used herein, the term "Residential Purposes" shall be construed to prohibit the use of said Lots for camping activity, or apartment houses. In no event may Lots be used for any industrial purposes, for the manufacture, sale or repair of motor vehicles, boats or heavy equipment for junkyards, or for commercial/rental motor vehicle or boat storage facilities. The use of lots or allowable structures thereon to conduct business or commercial activity is prohibited. The renting or leasing of any lot or single-family residential dwelling by an owner or his agent shall not be construed as prohibited commercial activity. In the event you lease or rent your home, you must notify the Community Improvement Association. (NLCIA) in order for lessee to be provided with all the necessary information concerning the subdivision (i.e. deed restrictions, water fees, etc.). All lessees must abide by the deed restrictions. No building of any kind or character shall ever be built, erected or moved onto any Lot within said Subdivision without the prior written approval of the Architectural Control Committee. Individual mailboxes are required.

Section 1a. Residential Structures. Subject to the limitations and other provisions of these Restrictions, the following may be used for residential purposes.

- (1) All homes must be single-family residential dwellings built on a solid concrete foundation. All dwellings must be at least fifty percent (50%) brick, stone, rock veneer, or stucco. Garages may be attached or detached from the dwelling, but must correspond in style and architecture to the dwelling. All dwellings must be a minimum of 1,700 square feet for the first floor, and, if the dwelling is two stories, it must be a minimum of 2,200 square feet total. All dwellings must face the street.
- (2) Mobile homes, manufactured homes and modular homes are not permitted. The Developer, however, shall retain the unrestricted right to operate and maintain a mobile, manufactured, or modular home as a sales office on the lot(s) of its choice until all lots are sold.

Section 1b. Buildings and Other Structures.

- (1) RV ports. Prior approval is required for all RV ports, which must be constructed, in an attractive design and appearance.
- (2) Storage Buildings. One storage building may be built and erected on each lot with prior approval. It must be a minimum of a 10 X 10 space and must be prefabricated, commercial quality building of an attractive exterior, design and appearance. All exterior walls and roofing material must be painted or stained. The exterior color must have prior approval.
- (3) Garage. Prior approval is required for all garages, which must be constructed, in an attractive design and appearance.
- (4) Exterior Color. Any exterior paint colors on garages or storage buildings not approved by the CIA could result in the property owner having to repaint at their own expense.

Section 2. Prior Approval Required.

(a) No building or structure shall be built, erected, placed or altered on any Lot until the construction plans and specifications and a plot plan showing the location of the structures thereon have been approved in writing by the Architectural Control Committee as to harmony with existing

structures with respect to exterior design, construction material and color and as to location with respect to topography and finished grade elevation and as to compliance with minimum construction standards more fully described in these Restrictions. Plans must be submitted two weeks prior to construction.

(b) No building or structure shall be erected, placed or maintained nearer than ten (10) feet to any side lot line or fifty (50) feet from the front property line. Any lot with characteristics not conducive to building within these lines will be granted a variance.

Section 3. Minimum Requirements for Approval.

(a) Storage Buildings. The unit must be of commercial quality, in good repair, and of an attractive design and appearance. Buildings may only be constructed of prefabricated metal or wood and painted in an attractive manner. Homemade type buildings may not be erected. A recent photograph of the unit shall be submitted with the application for approval to the Architectural Control Committee.

(b) Decks or Porches. All decks or porches must be approved by the Architectural Control Committee prior to construction. The bottom or lower portion of all decks and porches must be fully enclosed in a manner and with materials approved by the Committee.

(c) Propane Tanks. Propane tanks must be kept well maintained and placed on the property so that it is not visible from the street and in such a manner as to not constitute an eyesore.

(d) RV Ports. RV Ports are permitted but must not be visible from the street. They must be constructed in a professional manner, attractive in design and appearance, and of materials approved by the Architectural Control Committee. Prior written approval from the Architectural Control Committee must be obtained before construction commences.

(e) Garages. Garages are permitted and prior approval is required before construction can begin. All garages must be constructed in an attractive design and appearance.

(f) Additions or Modifications to Existing Structures. Prior written approval from the Architectural Control Committee must be obtained before construction commences. The materials used must be compatible with those materials already existing on the structure to be modified.

Section 5. Resubdivision. No Lot shall be resubdivided without the express written approval of the Architectural Control Committee.

Section 6. Annoyance or Nuisances. No noxious or offensive activity shall be carried on or upon any Lot, nor shall anything be done thereon which may become an annoyance to the neighborhood. The display or shooting of firearms, fireworks, or firecrackers is expressly forbidden. No boat trailers, boats, travel trailers, inoperable motor vehicles, campers, vehicles of any kind, or portable buildings are to be permanently or semi-permanently stored or parked on Lots or in the public street right-of-way or upon utility or drainage easements.

Section 7. Removal of Non Conforming Campers or Structures. In the event of default on the part of the owner or occupant of any Lot in observing the requirements of these Restrictions and/or the requirements of the Architectural Control Committee and with such default continuing after ten (10) days written notice thereof to the violator's last known address, Developer, the Architectural Control Committee, or their assigns or representatives shall, without liability to the owner or occupant in trespass, damage or otherwise, enter upon said Lot and remove the travel trailer, modular structure, motor home, mobile home, or other structure in default. The owner or occupant, as the case may be, agrees by the purchases or occupation of the property to pay all reasonable costs associated with the notice and removal and any storage fees, if any, immediately upon the receipt of a statement thereof. The mailing of ten (10) days written notice to the address shown on Owner's Contract of Sale shall be deemed to be full compliance by Developer or the Architectural Control Committee of its duty to notify in writing as set out above.

Section 8. Signs and Billboards. No signs, billboards, posters, or advertising devices of any character shall be erected, permitted, or maintained on any Lot or plot. One professional appearing "for sale" sign may be placed on a Lot by an Owner seeking to sell such Lot. Declarant or the Architectural Control Committee, or its agents shall have the right, to remove any sign not complying with the above restriction, and, in so doing, shall not be liable and are expressly relieved from any liability for trespass or other tort in connection therewith, or arising from such removal. The rights is reserved by Declarant to construct and maintain such signs, billboards or advertising devices as is customary in connection with the genera sale of property.

Section 9. Oil and Mining Operations. Except for reserved tracts, plots of land, and easements shown on the recorded plat, no oil drilling or development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 10. Storage and Disposal of Garbage and Refuse. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage, or other waste materials shall not be kept except in sanitary containers constructed of metal, plastic or masonry materials with sanitary covers or lids. Equipment for the storage of disposal of such waste materials shall be kept in clean and sanitary condition. No Lot shall be used for the open storage of any materials whatsoever, which storage is

visible from the street.

Section 11. Water. The owner of each Lot shall be responsible for paying the tap-on fee for water service and shall bear the responsibility of furnishing and installing, in conformance with governmental requirements, the water line that extends from the house to the easement. Each Lot owner shall be responsible for purchasing a water meter from the water supplier and installation fees. In addition, each lot owner shall pay a tap-on fee and water usage charges at the prevailing rates from the privately owned system serving the subdivision. No lot owner may drill or install a water well on any Lot in the subdivision.

Section 12. Walls and Fences. All fences and walls must be at least four (4) feet in height unless otherwise approved in writing by the Architectural Control Committee. Fences must be of ornamental iron, nylon, wood or masonry construction and must be kept in good repair at all times. The express written consent of the Declarant or Architectural Control Committee must be acquired before erecting a fence and/or wall. Any wall or fence erected as a protective screening on a Lot by Declarant shall pass ownership with title to the property and it shall be the Owner's responsibility to maintain said protective screening thereafter. In the event of default on the part of the Owner or occupant of any Lot in maintaining said protective screening or fence and such failure continues after ten (10) days' written notice thereof, Declarant or its assigns may, at their option, without liability to the Owner or occupant in trespass or otherwise, enter upon said Lot and cause said protective screening or fence to be repaired or maintained or to do any other thing necessary to secure compliance with these restrictions, so as to place said protective screening or fence in a satisfactory 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 occupancy of the property to pay such statement immediately upon receipt thereof. Regardless of the statements above, any fence crossing the Exxon or other pipeline easement must be constructed in a manner that allows visibility through the fence and down the pipeline.

Section 13. Lot Maintenance. So long as a Lot is in a natural state, the Owners or occupants of all such Lots shall not be required to alter the natural state of the Lot. However, once a portion of the Lot is altered and grass is planted, the Owners or occupants of all such altered Lots shall be required to cut, trim, and maintain said portions in a sanitary, healthful and attractive manner. In no event shall any Lot be used for storage of materials and equipment except for normal residential requirements or incident to construction or improvements thereon as herein permitted or permit the accumulation of garbage, trash or rubbish of any kind thereon and shall not burn anything at any time. Refrigerators and other large appliances shall not be placed out of doors. The drying of clothes in full public view is prohibited and the Owners 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 full public view shall construct and maintain a drying yard or other suitable enclosure to screen the following from public view; the drying of clothes, yard equipment, wood piles or storage piles which are incident to the normal residential requirements of a typical family. 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, and such default continuing after ten (10) days' occupant in trespass or otherwise enter upon said Lot and 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 so as 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 occupancy of the property to pay such statement immediately upon receipt thereof.

Section 14. Motor Vehicles. No motorbikes, 4-wheelers, motorcycles, motor scooters, go-carts, or other vehicles of that type shall be permitted or operated within the subdivision, if they are a nuisance by reason of noise or manner of use in the sole judgment of the Architectural Control Committee.

Section 15. Septic Tanks and Sewage Disposal. Aerobic Septic System must be installed by the time home construction is complete.

The owner of each Lot shall be responsible for paying the usual and customary tap-on and usage fees imposed by the entity furnishing utility services to the subdivision.

No outside toilet or privy shall be erected or maintained on any Lot hereunder. The dumping, emptying or evacuation of sewage or wastewater onto the ground or into any ditch or drainage facility within the subdivision is strictly prohibited.

Section 16. Livestock and Pets. Cows, poultry, pigs or any other type livestock and exotic animals are strictly prohibited. The owner of a Lot may keep two (2) household pets, either or both of which may be dogs or cats. If a Lot contains at least one acre of land, the owner may also keep one horse. Such pets must be enclosed within a suitable fence, in the living structure, or on a leash at all times. Should such pets become a nuisance in the opinion of the Declarant or the Architectural Control Committee, they must be removed from the premises and the subdivision. Montgomery County leash law will be enforced. Any non-complying livestock projects must be temporary and must be pre-approved by the Association.

Section 17. Mailbox. Owner must build a mailbox structure on their lot 24 x 24 x 5 or standard height that conforms to the construction of the home as approved by the Architectural Control Committee.

Section 18. Drainage. Natural drainage of streets, Lots or roadway ditches will not be impaired by any person or persons. Driveway culverts will be of sufficient size to afford proper drainage of ditches without backing water up into ditch or diverting flow. In no event shall culverts be less than eighteen (18) inches. Declarant may remove any culvert that obstructs the flow of water through the street ditches. The breaking of curbs for drive installations will be accomplished in a good and workman-like

manner and such break will be recemented without hindrance to drainage and such work is subject to the inspection and approval of the Architectural Control Committee.

Section 19. Completion of Construction. Construction of residential homes together with garages must be completed within nine (9) months from the time construction begins. Construction of R.V. Ports, storage buildings, decks, porches, fences or walls and allowable additions or modifications must be completed within three (3) months from time the construction begins.

Section 20. Authority to Grant Variances. The Board of Directors of the Developer and, after Developer sells all lots, the Board of Directors of the Association, upon recommendation of the Architectural Control Committee, may authorize variances from strict compliance with any of the restrictions of this Declaration, when circumstances such as topography, natural obstruction, hardship, aesthetic, or environmental considerations may require. Such variances must be evidenced in writing and must be approved by at least a majority vote of the Board of Directors and shall become effective upon execution of the variances. No Board member, except Developer, shall participate in any voting, in the capacity as a Board member, regarding a variance involving that Board member's lot or the improvements thereon. If such a variance is granted, no violation of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular provision thereof, nor shall it affect in any way the Owner's obligation to comply with all applicable governmental laws and regulations. No granting of a variance shall be relied on by any Owner, or any other person or entity (whether privy or party to the subject variance or not), as a precedent in requesting or assuming variance as to any other matter of potential or actual enforcement of any provision of this Declaration.

ARTICLE IV.

Architectural Control Committee

Section 1. Purpose. The purpose of the Architectural Control Committee is to provide compliance with these restrictions: to maintain proper use of the lots; to preserve, so far as practicable, the natural beauty of the property; to insure against the erection or placement of buildings, mobile homes, and/or temporary stationary or movable structures built of improper, unsuitable, or unsightly materials, and to obtain harmonious architectural schemes.

Section 2. Approval of Building Plans. No building shall be erected, placed or altered on any Lot until the construction plans and specifications and a plot plan showing the location of the structure, have been approved in writing as to harmony of exterior design and color with existing structures, as to location with respect to topography and finished ground elevation, and is to compliance with minimum construction standards by the Architectural Control Committee. Two (2) copies of the construction plans and specifications and a plot plan, together with such information as may be deemed pertinent, shall be submitted to the Architectural Control Committee, or its designated representative prior to commencement of construction or placement. The Architectural Control Committee may require the submission of such plans, specifications, and plot plans, together with such other documents, as it deems appropriate, in such form and detail as it may elect at its entire discretion. All applications to the Architectural Control Committee must be accompanied with the payment of a \$250.00 application fee. In the event the Architectural Control Committee determines that the plans are so unique that consultation with a qualified engineer or other expert is advisable, then the applicant shall pay, in advance, a deposit to cover the cost of the engineer or expert consultation fee. In the event the Architectural Control Committee falls to approve or disapprove such plans and specifications within thirty (30) working days after submission, approval will not be required and full compliance with this Section will be deemed to have occurred.

Section 3. Committee Membership. The Architectural Control Committee shall initially be composed of L. P. Carlson, and Cheryl Hubbell, who by unanimous vote may designate a representative to act for them.

Section 4. Replacement. In the event of death or resignation of any member said Committee, the remaining member or members shall appoint a successor, and until such successor shall have been so appointed, the remaining member or members shall have full authority to carry out the responsibilities of the Committee or to designate a representative with like authority.

Section 5. Minimum Construction Standards. The Architectural Control Committee may, from time to time, promulgate an outline of minimum acceptable construction standards; provided, however, that such outline will serve as a minimum guideline and such Architectural Control Committee shall not be bound thereby.

Section 6. Term. The duties and powers of the Architectural Control Committee and of the designated representative shall cease on and after fifteen (15) years from the date of this instrument. Thereafter, all power in said Committee shall automatically pass to North Lake Estates Community Improvement Association.

Section 7 Nonliability. Neither the Declarant, Developer, its directors, shareholders, or officers, nor the Architectural Control Committee or any of its members shall have any liability nor responsibility at law or in equity on account of the enforcement of, nor on account of the failure to enforce, these restrictions.

ARTICLE V.

The Estates Community Improvement Association

Section 1. Membership. Every person or entity who is an Owner of any of the properties that are subject to maintenance assessed by the Association shall be a member of North Lake Estates Community Improvement Association. The foregoing does not include persons or entities that hold an interest merely as security for the performance of an obligation or those having only an interest in the mineral estate. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of the land that is subject to assessment by the Association. Ownership of such land shall be the sole qualification for membership.

Section 2. Voting Rights. The Association shall have two classes of membership.

Class A. Class A members shall be all those Owners as defined in Section 1, with the exception of the Declarant. Class A members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Section 1. When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B members shall be the Declarant as defined in the Declaration. The Class B members shall be entitled to three (3) votes for each Lot in which they hold the interest required for membership by Section 1; provided, however, that the Class B membership shall cease and be converted to Class A membership on January 1, 2018.

The Class A and Class B members shall have no rights as such to vote as a class, except as required by the Texas Nonprofit Corporation Act, and both classes shall vote together upon all matters as one group.

Section 3. Nonprofit Corporation. North Lake Estates Community Improvement Association may incorporate but is under no duty to do so. In the event of incorporation event, all duties, obligations, benefits, liens, and rights hereunder in favor of the Association shall vest in said corporation.

Section 4. Bylaws. The Association may make whatever rules or bylaws it may choose to govern the organization, provided that they are not in conflict with the terms and provisions hereof.

Section 5. Inspection of Records. The members of the Association shall have the right to inspect the books and records of the Association at reasonable times during normal business hours.

Section 6. Board of Directors. The affairs of the Association and/or nonprofit corporation shall be managed and governed initially by a board of directors composed of L. P. Carlson, Sandy Carlson and Cheryl Hubbell. A majority vote of such directors is required for action by the Board. Such board of directors will serve until title to seventy-five percent (75%) of Lots within the subdivision have been transferred to parties other than the Declarant/Developer (or at any prior time, at the election of said directors), at which time a membership meeting shall be called and a new board of directors shall be elected by the members of the Association and/or nonprofit corporation. The judgment of the board of directors in the management of the affairs of the Association and/or nonprofit corporation shall be final and without liability to such directors so long as such judgment is made in good faith.

ARTICLE VI.

Maintenance Charge And Other Assessments

Section 1. Each lot owner in The Estates, also known as North Lake Estates, except Developer, is hereby subject to an annual maintenance fee of \$400.00 per lot for the purpose of creating a fund to be designated and known as the "maintenance fund". The annual maintenance fee may be adjusted to such other amount determined reasonably necessary by North Lake Estates Community Improvement Association board of directors. Said maintenance charge and assessment will be paid by the Owner or Owners of each Lot within The Estates to The Estates Community Improvement Association. The maintenance charge is payable yearly in advance by no later than January 31. The maintenance fund assessment shall commence to accrue from the date of the deed or other conveyance of the Lot from the Developer to the purchaser. Any assessment not paid within thirty (30) days from due date shall bear interest from due date until paid at the rate of fifteen percent (15%) per annum. The Declarant may loan the Association such monies, as Declarant desires to assist the Association in discharging its duties. However, the Association shall repay Declarant all loans with interest at the rate of ten percent (10%) per annum. The rate at which each Lot will be assessed will be determined annually, and may be adjusted from year to year as the needs of the subdivision, may in the judgment of the Association require. The Association shall use the proceeds of said maintenance fund for the use and benefit of all residents of North Lake Estates. The uses and benefits to be provided by said Association shall include, by way of clarification and not limitation and at its sole option, any and all of the following: maintaining and operating parks, parkways, agreements for provision of recreational amenities, both temporary and permanent rights-of-way, easements, roads, street lights, esplanades, and storm water detention facilities, other public and common areas, taxes on common areas, payment of all legal and other expenses incurred in connection with the enforcement of all recorded charges and assessments, covenants, restrictions, and conditions affecting the Properties to which the maintenance fund applies, payment of all reasonable and necessary expenses in connection with the collection and administration of the maintenance charge and assessment, employing policemen and watchmen, and doing any other

thing or things necessary or desirable in the opinion of the Directors of the Association to keep the properties in the subdivision neat and in good order, or which is considered of general benefit to the Owners or occupants of the properties, it being understood that the judgment of the Directors in the expenditure of said funds or the variance in maintenance charge assessments on multiple-lot owners shall be final and conclusive so long as such judgment is exercised in good faith.

Section 2. To secure the payment of assessments, reimbursements and obligations to the maintenance fund established hereby and to be levied on individual Lots, there shall be reserved in each Deed (whether specifically stated therein or not) by which the Declarant shall convey such Lots, a Vendor's Lien for benefit of the Association, said lien to be enforceable through appropriate proceedings at law by such beneficiary provided, however, that each such lien shall be secondary, subordinate, and inferior to all liens, present and future, given, granted and created by or at the instance and request of the Owner of any such Lot to secure the payment of monies advanced or to be advanced on account of the purchase price and/or the construction of improvements on any such Lot to the extent of any such assessments, reimbursements, obligations and maintenance fund charge accrued and unpaid prior to foreclosure of any such purchase money lien or construction lien and further provided that as a condition precedent to any proceeding to enforce such lien upon any Lot upon which there is an outstanding valid and subsisting first mortgage lien, for the aforesaid purpose or purposes, the Association shall give the holder of such first mortgage lien Sixty (60) days written notice of such proposed action, which notice shall be sent to the nearest office of such first lien mortgage holder by prepaid U.S. certified mail, and shall contain a statement of the delinquent charges upon which the proposed action is based. Upon the request of any such first mortgage lien holder, the Association shall acknowledge in writing its obligation to give the foregoing notice with respect to the particular Lot covered by such first mortgage lien to the holder thereof.

Section 3. The above maintenance charge and assessment will remain effective for the full term (and extended term if applicable) of the within covenants.

Section 4. It is specifically agreed that any Lot sold to persons or entities by the Declarant by contract for sale of land or deed with lien and note or other instrument and the purchaser defaults in the contract for non-payment or in any other manner and said Lot is repossessed, foreclosed or such contract canceled by Declarant, its successors or assigns, the Association will release its rights to collect the past due maintenance charges, assessments, and penalties on such Lots from the Declarant. Nothing herein contained shall relieve the purchaser in default from whom the Lot was repossessed from his obligation to pay such delinquent charges, assessments, maintenance charges and penalties to the Association.

ARTICLE VII.

General provisions

Section 1. Term. Unless sooner amended or terminated pursuant to Section 5 of this Article, these covenants shall run with the land and shall be binding upon all parties and all persons claiming under them for a period of twenty (20) years from the date this instrument is recorded after which time said covenants shall be automatically extended for successive periods of ten (10) years each, unless at the end of the 20 years, or anytime thereafter, an instrument signed by a majority of the then owners of the Lots has been recorded agreeing to change or terminate said covenants in whole or in part. Upon any violation or attempt to violate any of the covenants herein, it shall be lawful for the Association, the Declarant, or any other Lot owner to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants and either to prevent him or them from doing so or to recover damages or other dues for such violations. Failure by the Association, the Declarant or any Lot owner to enforce any covenant or restriction herein shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Charge on Lots. In addition to the lien imposed upon lots in Article VI, Section 2, and to secure the payment of assessments, charges and reimbursements required of lot owners to the Association for removal of debris, trimming unsightly lots, and the like, there shall be reserved in each Deed (whether specifically stated therein or not) by which the Declarant shall convey such Lots, a Vendor's Lien for benefit of the Association, said lien to be enforceable through appropriate proceedings at law by such beneficiary; provided, however, that each such lien shall be secondary, subordinate, and inferior to all liens, present and future, given, granted and created by or at the instance and request of the Owner of any such Lot to secure the payment of monies advanced or to be advanced on account of the purchase price and/or the construction of improvements on any such Lot to the extent of any such assessments, reimbursements, and obligations accrued and unpaid prior to foreclosure of any such purchase money lien or construction lien; and further provided that as a condition precedent to any proceeding to enforce such lien upon any Lot upon which there is an outstanding valid and subsisting first mortgage lien, for the aforesaid purpose or purposes, the Association shall give the holder of such first mortgage lien sixty (60) days' written notice of such proposed action, which notice shall be sent to the nearest office of such first lien mortgage holder by prepaid U.S. certified mail, and shall contain a statement of the delinquent charges upon which the proposed action is based. Upon the request of any such first mortgage lien holder, the Association shall acknowledge in writing its obligation to give the foregoing notice with respect to the particular Lot covered by such first mortgage lien to the holder thereof.

Section 3. Severability. Invalidation of anyone of these covenants by judgment or other court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

Section 4. Discrimination. Discrimination on the basis of a person's race, color, religion or national original within the subdivision is strictly prohibited.

Section 5. Amendment. The covenants, conditions, and restrictions of this Declaration may be amended by Declarant until all lots are sold and then during the first twenty (20) years from the date of this Declaration by an instrument signed by a majority of the then owners of the Lots agreeing to change or terminate said covenants in whole or in part. No amendment shall be effective until the instrument of amendment is filed in the Office of the County Clerk of Montgomery County, Texas.

EXECUTED ON THIS 22nd DAY OF March, 2013.

U. S. LAND CORP. d/b/a
THE ESTATES SUBDIVISION AKA
NORTH LAKE ESTATES

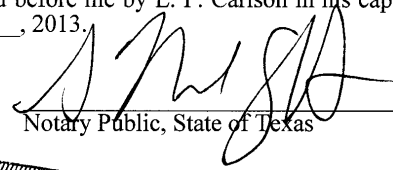
By: 

L. P. Carlson
It's President
P. O. Box 91495
Houston, Texas 77291-1495

ACKNOWLEDGMENT

STATE OF TEXAS)
)
COUNTY OF MONTGOMERY)

This instrument was acknowledged before me by L. P. Carlson in his capacity as President of U. S. Land Corp. on 3/22, 2013.


Notary Public, State of Texas



Darden, Fowler, and Creighton
414 W. Phillips St.
Conroe, TX 77385

FILED FOR RECORD

03/22/2013 4:12PM

Mark Tumbull

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in file number
sequence on the date and at the time stamped herein
by me and was duly RECORDED in the Official Public
Records of Montgomery County, Texas.

03/22/2013



Mark Tumbull

County Clerk
Montgomery County, Texas