

P744445

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR STERLING GREEN SOUTH, SECTION SIX
(EXCLUDING RESERVE A)
SUBDIVISION IN HARRIS COUNTY, TEXAS

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092-69-1472

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THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

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This Declaration made by SILVESTRI INVESTMENTS, INC., a Texas corporation, hereinafter called "Declarant".

W I T N E S S E T H :

WHEREAS, Declarant is the owner of those certain properties known as STERLING GREEN SOUTH, SECTION, SIX, a subdivision in Harris County, Texas. Sterling Green South, Section 6; The following described one hundred sixty-eight (168) Lots, each such Lot being located in the Block designated below opposite the reference to said Lot, and all such Lots and Blocks being located in Sterling Green South, Section Six (6), a subdivision in Harris County, Texas, according to the map or Plat of said subdivision recorded in Volume 330, Page 90 of the Map Records of Harris County, Texas:

- Block 1 Lots 1 through 26, inclusive.
- Block 3 Lots 1 through 15, inclusive.
- Block 4 Lots 1 through 21, inclusive.
- Block 5 Lots 1 through 23, inclusive.
- Block 6 Lots 1 through 55, inclusive.
- Block 7 Lots 1 through 28, inclusive.

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WHEREAS, it is the desire of Declarant to place certain restrictions, covenants, conditions, stipulations and reservations upon and against all of the Properties (as defined below), in order to establish a uniform plan for the development, improvement and sale of such Properties, and to insure the preservation of such uniform plan for the benefit of both the present and future owners of lots in said subdivisions:

NOW THEREFORE, Declarant hereby adopts, establishes and imposes upon all of the Properties (as defined below), and declares the following reservations, easements, restrictions, covenants and conditions applicable thereto, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the land, which reservations, easements, covenants, restrictions and conditions shall run with the land and shall be binding upon all parties having or acquiring any right, title or interest therein, or any part thereof. and shall inure to the benefit of each owner thereof. Reserve A of Sterling Green South, Section Six is specifically excluded from the effect of this Declaration and shall not be burdened by any terms or provisions hereof.

AFTER RECORDING:
HOLD FOR
CHARTER TITLE COMPANY
GF Mica
Closer: Casby

ARTICLE I

Definitions

Section 1. "Association" shall mean and refer to STERLING GREEN SOUTH SECTION 6 COMMUNITY IMPROVEMENT ASSOCIATION, its successors and assigns, provided for in Article V heretof.

Section 2. "Properties" shall mean and refer to all of STERLING GREEN SOUTH, SECTION SIX, except only Reserve A, thereof..

Section 3. "The Subdivision" shall mean and refer to the Properties and any additional properties which may hereafter be brought within the scheme of this Declaration pursuant to the provisions set forth herein and hereafter brought within the jurisdiction of the Association.

Section 4. "Lot" and/or "Lots" shall mean and refer to (a) the Lots shown upon the Section Six Plat. References herein to "the Lots (each Lot) in The Subdivision" shall mean and refer to Lots as defined respectively in this Declaration and all Supplemental Declarations.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entiteies, of 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 and those having only and interest in the mineral estate. References herein to the "Owners in the subdivision" shall mean and refer to Owners as defined respectively in this Declaration and all Supplemental Declarations.

Section 6. "Subdivision Plat" shall mean and refer to Sterling Green South Section Six, (herein sometimes singly referred to as the "Section Six Plat") recorded in Volume 330, Page 90, of the Map Records of Harris County, Texas.

Section 7. "Architectural Control Committee" shall mean and refer to Sterling Green South, Section Six Architectural Control Committee provided for in Article IV hereof.

Section 8. "Declarant" shall mean and refer to Silvestri Investments, Incorporated, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development (the term "development," for the purposes hereof, shall mean installation of utilities and streets to serve more than one Lot and shall not refer to improving Lots with residential structures).

Section 9. "Common Properties" shall mean and refer to such properties as the Association may, at any time or from time to time, acquire by purchase or otherwise, subject, however, to the easements, limitations, restrictions, dedications and reservations which may be applicable thereto by virtue hereof and/or by virtue of either of the Subdivision Plats, and/or by virtue of prior grants or dedications by Declarant or Declarant's predecessors in title. References herein to "the Common Properties in The Subdivision" shall mean and refer to Common Properties as defined respectively in this Declaration and all Declarations.

Section 10. "Common Facilities" shall mean and refer to all existing and subsequently provided improvements upon or within the Common Properties, except those as may be expressly excluded herein. Also, in some instances, common Facilities may consist of improvements for the use and benefit of all Owners in the Subdivision constructed on portions of one or more Lots or on acreage owned by Declarant (or Declarant and others) which has not been brought within the scheme of The Declaration. By way of illustration, Common Facilities may include, but not necessarily be limited to, the following: structures for recreation, storage or protection of equipment; fountains; statuary; sidewalks; common driveways; landscaping; swimming pools; tennis courts; boat ramps; and other similar and appurtenant improvements. References herein to "the Common Facilities (any Common Facility) in The Subdivision" shall mean and refer to Common Facilities as defined respectively in this Declaration and all Supplemental Declarations.

Section 11. "Supplemental Declaration" shall mean and refer to any Supplemental Declaration of Covenants and Restrictions bringing additional property within the scheme of this Declaration under the authority provided in Article VII hereof. References herein (whether specific or general) to provisions set forth in "all (any) Supplemental Declarations" shall be deemed to relate to the respective properties covered by such Supplemental Declarations.

Section 12. "Member" and/or "Members" shall mean and refer to all those Owners who are members of the Association as provided in Article V, Section 1 hereof, together with all the Owners in The Subdivision who are members of the Association as provided in all other Supplemental Declarations.

ARTICLE II

Reservations, Exceptions and Dedications

Section 1. The Subdivision Plat dedicated for use as such, subject to the limitations set forth therein, the streets and easements and improvements shown thereon, and such Subdivision Plat further establish certain restrictions applicable to the Properties, including, without limitation, certain minimum set back lines, and all dedications, limitations, restrictions and reservations shown on the Subdivision Plat is 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 any part of the Property, 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, water, gas, sewers, or any other utility which Declarant sees fit to install in, across and/or under the Property.

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, but such changes and additions must be

approved by the Federal Housing Administration or Veterans Administration.

Section 4. Neither Declarant nor 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 other property of the Owner situated on the land covered by said easements.

Section 5. It is expressly agreed and understood that the title conveyed by Declarant to any Lot or parcel of land within the Property by contract, deed or other conveyance shall be subject to (a) any easement affecting same for roadways or drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph, telephone or other utility purposes and convey no interest in any pipelines, poles or conduits, or in any utility facility or appurtenances thereto, constructed 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 Property and (b) the right of Declarant, its successors and assigns, to maintain, repair, sell or lease such appurtenances to any municipality, or other governmental agency or to any public service corporation or to any other party (and such right is hereby expressly reserved).

ARTICLE III

Use and Building Restrictions

Section 1. Land Use and Building Type. All Lots shall be known, described and used as Lots for residential purposes only (hereinafter sometimes referred to as "residential Lots"), and no structure shall be erected, altered, placed, or permitted to remain on any residential Lot other than one single-family dwelling not to exceed two (2) stories in height, an attached garage for not less than one (1) car and quarters for bona fide domestic employees. Carports and detached garages are prohibited. Nothing herein shall be construed to permit or allow the use of any garage for other than, primarily, the housing of automobiles and any enclosure of the garage which prevents its use for such purpose is specifically prohibited. As used herein, the term "residential purposes" shall be construed to prohibit the use of the Lots for duplex houses, garage apartments, or apartment buildings; and no Lot shall be used for professional, retail or commercial purposes of any kind, nor for any commercial or manufacturing purpose. No building of any kind or character shall ever be moved onto any Lot, it being the intention that only new construction shall be placed and erected thereon.

All exterior construction for the primary residential structure, garage, porches and any other appurtenances or appendages of every kind and character on any Lot and all interior construction (including but not limited to, all electrical outlets in place and functional, all plumbing fixtures installed and operational, all cabinet work completed, all interior wall, ceilings, and doors completed and covered by paint, wallpaper, paneling, or the like, and all floors covered by wood, carpet, tile or other similar floor covering) shall be completed not later than six (6) months following the commencement of construction. For the purposes hereof, the term "commencement of construction"

shall be deemed to mean the date on which the foundation forms are set.

Section 2. Architectural Control. No building or other structure shall be erected, placed or altered on any Lot until the construction plans and specifications there in and a plot plan showing the location of the structure therein have been approved by the Architectural Control Committee ("ACC") The ACC shall have full and unqualified discretion to specify and prescribe the exterior design and the type, color, percentage of coverage and general appearance of all exterior materials incorporated into such building or other structure location with respect to topography and finished grade elevation, and compliance with minimum construction standards, all as more fully provided for in Article IV hereof.

Section 3. Dwelling Size. Neither the ground floor area of the main residential structure of a one (1) story dwelling, nor the ground area plus the upper floor area of the main residential structure of a one and one-half (1-1/2) story, or a two (2) story dwelling, in each case exclusive of open porches and garages, shall be less than the applicable number of square feet set forth below:

As to Lots other than corner Lots (as defined in Section 5. below):	900 sq ft
As to corner Lots:	1000 sq ft

Section 4. Type of Construction, Materials, and Landscape.

(a) Each residence shall be constructed of materials (including specifically, but without limitation, exterior materials) which have been approved expressly by the Architectural Control Committee pursuant to the authority granted to it in Section 2. above.

(b) No external roofing material other than wood or composition shingles shall be constructed or used on any building in any part of the Properties unless the Architectural Control Committee, in its discretion, shall permit the use of other roofing materials, such permission to be in writing, if granted as hereinafter provided.

(c) A concrete sidewalk four (4) feet wide shall be constructed parallel to the curb two (2) feet from the property line along the entire front of all Lots. In addition thereto, four (4) foot wide sidewalks shall be constructed parallel to the curb two (2) feet from the property line along the entire side of all corner Lots. No other sidewalks shall be permitted on any Lot without the express written consent of the Architectural Control Committee. The plans for each residential building on each Lot shall include plans and specifications for such required sidewalk (s), and any sidewalks approved by the Architectural Control Committee shall be constructed and completed before the main residence is occupied.

(d) No window or wall type air conditioners shall be permitted to be used, erected, placed or maintained on or in any building in any part of the Property, provided that the Architectural Control Committee may, in its discretion, permit window or wall type air conditioners to be installed in a garage if such unit, when installed, shall not be

visible from a street, such permission to be granted in writing as hereinafter provided.

(e) Each kitchen in each dwelling or living quarters situated on any Lot shall be equipped with a garbage disposal unit, which garbage disposal unit shall at all times be kept in a serviceable condition.

(f) No fence or wall shall be erected, placed, or altered on any Lot:

(i) nearer to any street than the minimum building setback lines as shown on the Subdivision Plat;

(ii) nearer to the front Lot line than the plane of the front exterior wall of the residential structure on the Lot.

All fences must be constructed of ornamental metal, wood or masonry and no chain link fences shall be placed on any Lot (except to enclose a swimming pool if such chain link fence is not visible from a street). No fence shall exceed eight (8) feet in height. The Architectural Control Committee may, in its discretion, permit a fence to be located nearer to the front Lot line than the plane of the front exterior wall of the residential structure (but not in front of the building setback line), or to exceed eight (8) feet in height, such permission to be granted in writing, as hereinafter provided.

Section 5. Building Location. No structure shall be located on any Lot between the building setback lines shown on the Subdivision Plat and the street. No building shall be located on any Lot nearer than twenty (20) feet from the front line of such Lot. No building shall be located nearer to any interior Lot line (other than the rear Lot line) than the minimum set back relative thereto which the Architectural Control Committee shall specify in writing concurrently with its approval of plans and specifications for such building in accordance with the terms of this Article III (and the Architectural Control Committee is hereby specifically granted the authority to specify and prescribe such minimum set backs relative to the contrary, no building shall be located (and the Architectural Control Committee shall have no authority to permit buildings to be located) nearer to any interior Lot line (other than the rear Lot line) than three (3) feet. No building, nor any part thereof, shall be located on any Lot nearer than ten (10) feet to the rear Lot line or within any easement along such rear Lot line. For the purposes of this section, eaves, steps and open porches shall not be considered as a part of the building; provided, however, that the foregoing shall not be construed to permit any portion of a building on any Lot to encroach upon another Lot or to extend beyond the building set back line. For the purposes of this Declaration, the front Lot line of each Lot shall coincide with and be the Lot line having the shortest dimension abutting a street. Unless otherwise approved in writing by the Architectural Control Committee, each main residence building will face the front of the Lot and will be provided with driveway access from the front of the Lot; provided that such access may be from the front or side of all corner Lots.

Section 6. Minimum Lot Area. The A.C.C. must grant its prior written approval, in its discretion, prior to the subdivision of any lot.

Section 7. Annoyance or Nuisances. (a) No noxious, illegal or offensive activity shall be carried on upon any Lot nor shall anything be done thereon which may become an annoyance to the neighborhood. (b) No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except that dogs, cats or other household pets (not to exceed three (3) adult animals) may be kept provided that they are not kept, bred or maintained for any commercial purpose. (c) No spirituous, vinous, malt liquor or edicated bitters capable of producing intoxication shall ever be sold or offered for sale on any Lot, nor shall any Lot or any part thereof be used for illegal or immoral purposes. (d) No septic tank or private water well shall be permitted on any Lot.

Section 8. Temporary Structure. No structure of a temporary character, whether trailer, basement or tent, shack, garage, barn, shed or otherwise shall be maintained or used on any Lot at any time as a residence, or for any other purpose, either temporarily or permanently provided however, that Declarant reserves the exclusive right to erect, place and maintain such facilities in or upon any portions of the Properties as in its sole discretion may be necessary or convenient while selling Lots, selling or constructing residences and constructing other improvements upon the Properties. Such facilities may include, but not necessarily be limited to sales and construction offices, storage areas, model units, signs and portable toilet facilities. No truck, trailer, boat, automobile, campers, motor or mobile home or other vehicle shall be stored, parked, or kept on any Lot or in the street in front of the Lot unless such vehicle is in day-to-day use off the premises and such parking is only temporary, from day-to-day; provided however, that nothing herein contained shall be construed to prohibit the storage of an unused vehicle in an enclosed garage on any Lot, or to prohibit the parking of construction or repair equipment only while a house, or houses, are being built or repaired in the immediate vicinity in conjunction therewith.

Section 9. Signs and Billboards. No signs, billboards, posters or advertising devices of any character shall be erected, permitted or maintained on any Lot except (i) one sign of not more than ten (10) square feet advertising the particular Lot on which the sign is situated for sale or rent and (ii) one sign of not more than five (5) square feet to identify the particular Lot as may be required by the Federal Housing Administration or Veterans Administration during the period of actual construction of a single-family residential structure thereon; provided however, that the right is reserved by Declarant to construct and maintain such signs, billboards or advertising devices as is customary in connection with the general sale of property, Lots and residences in the Subdivision. In no event shall any sign, billboard, poster or advertising device of any character, other than as specifically prescribed in this Section 9, be erected, permitted or maintained on any Lot without the express prior written consent of the Architectural Control Committee. Declarant, or its assigns, shall give the right to remove from any portion of the Properties any sign, billboard, poster or any other advertising device that does not comply with this section 9 and, in so doing, shall not be subject to any liability for trespass, injury to or conversion of property, or have any other liability of any kind or character, as a result of arising out of such removal by Declarant.

The term "Declarant" as used in this Section 9. and Section 8. above shall refer to Silvestri Investments, Incorporation and its successors or assigns.

Section 10. Storage and Disposal of Garbage and Refuse. No Lot shall be used or maintained as a dumping ground or for the storing or processing of 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 or the storage or disposal of such waste materials shall be kept in clean and sanitary condition.

Section 11. Underground Electric System. An underground electric distribution system will be installed in that part of Sterling Green South, Section Six, designated herein as Underground Residential Subdivision, which underground service area embraces all of the Lots which are platted in Sterling Green South, Section Six. Owner, at his or its own cost, shall furnish, install own and maintain (all in accordance with the requirements of local governing authorities and the National Electric Code) the underground service cable and appurtenances from the point of attachment at such company's metering at the 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. Declarant has either by designation on the Subdivision Plats or by separate instrument granted necessary easements to the electric company providing for the installation, maintenance and operation of its electric distribution system and has also granted to the various homeowners reciprocal easements providing for access to the area occupied by and centered on the service wires of the various homeowners to permit installation, repair and maintenance of each homeowners' owned and installed service wires. In addition, the Owner of each Lot containing a single dwelling unit shall at his or its own cost, furnish, install, own and maintain a meter loop (in accordance with the then current Standards and Specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for each dwelling unit involved. As long as underground service is maintained in the Underground Residential Subdivision, the electric service to each dwelling unit therein shall be underground, uniform in character and exclusively of type known as single phase, 240/120 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 Declarant (except for certain conduits, where applicable, and except as hereinafter provided) upon Declarant's representation that the Underground Residential Subdivision is being developed for residential dwelling units, all of which are designed to be permanently located where originally constructed (such category of dwelling units expressly to exclude mobile homes).

No provision of this Section 11. (the text of which is prescribed by the electric company) shall in any manner

operate or be construed to permit the construction on any Lot of any type of residential structure other than a single family residence as provided in Section 1. of this Article III.

Section 12. Oil and Mining Operations. No oil drilling or development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot nor shall oil wells, water 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 13. Antennae. No electronic antennae or device of any type other than one antennae for receiving television signals, FM signals and/or citizen's band signals shall be erected, constructed, placed or permitted to remain on any of the Lots, residences thereon or other permitted buildings constructed in the Properties. The permitted antennae may be free standing (with or without down guys) or may be attached to the residential structure; however, in any event the antennae's location shall be restricted to the rear of the residential structure or to the rear of the roof ridge line, gable or center line of the residential structure so as to be hidden from sight, to the extent practicable, when viewed from the front of the Lot and in no event shall any antennae of any kind extend to a height which is more than ten (10) feet above the highest point of the roof of the main residential structure on such Lot.

Section 14. Service Riser Conduit. Each residential structure shall have installed on the outside wall thereof a service riser conduit, beginning at least thirty (30) inches below the surface of the ground and terminating at the meter socket on such wall.

ARTICLE IV

Architectural Control Committee

Section 1. Approval of Building Plans. No building shall be erected, placed, or altered upon the Properties until the construction plans and specifications and a plot plan showing the location of the structure, have been approved in writing as to (a) harmony of exterior design, color and materials with existing structures (and in this regard the A.C.C. shall have full and unqualified discretion to specify and prescribe the exterior design and the type, color, percentage of coverage and general appearance of all exterior materials incorporated into such building or other structure), (b) location with respect to topography, finished ground elevation and orientation relative to Lot lines and building set back lines, and (c) compliance with minimum construction standards by the Sterling Green South Section Six, A.C.C.. A copy of the construction plans and specifications and a plot plan, together with such information as may be deemed pertinent, shall be submitted to the A.C.C., its designated representative, prior to commencement of construction. The A.C.C. 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. In the event the A.C.C. fails to approve or disapprove such plans and specifications within thirty (30) days after the same are

submitted to it, approval will not be required and the requirements of this Section will be deemed to have been fully complied with; provided however, failure to timely approve or disapprove such plans and specifications shall not be deemed to permit the erection, construction, placing or altering of any structure on any Lot in a manner prohibited under the terms of this Declaration. In order to insure that there will be harmony and complementary contrast of the exterior and interior plans within close vicinity of each other, the A.C.C. may, in the event one Owner shall own more than one Lot and shall submit two or more different sets of plans and specifications to the A.C.C. relative to such Lots, specify the Lot or Lots on which of the residences contemplated by the respective plans and specifications may be constructed and the determination of the A.C.C. in the regard shall be conclusive and binding on such Owner. In no event shall the A.C.C. or its members have any liability to any lot owner by virtue of its or their determinations, approvals or denial of approvals, if done or taken in good faith.

Section 2. Committee Membership. The Architectural Control Committee shall be initially composed of the Board of Directors.

Section 3. Replacement. In the event of death or resignation of any member or members of said Committee, the remaining member or members shall appoint a successor member or members, and until such successor member or members shall have been so appointed, the remaining member or members shall have full authority to approve or disapprove plans, specifications and plot plans submitted or to designate a representative with like authority.

Section 4. 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 5. Term. The duties and powers of the Architectural Control Committee and of the designated representative shall never cease. PROVIDED, that any time after January 1, 2003, whether or not the term of the A.C.C. specified in the preceding sentence shall have expired, by a majority at any time, the Board of Trustees of the Association may delegate the duties and powers of the A.C.C. to a committee made up of members served by the Board of Trustees provided a representative of the Declarant is part of the committee and said committee shall have all of the rights, benefits and powers provided herein for the A.C.C.

Section 6. Variances. Article III of the Declaration contains a number of provisions wherein the A.C.C. is expressly granted the authority, in its discretion, to permit variances from the effect of a particular restrictive covenant. The A.C.C. may require the submission to it of such documents and items (including, as examples but without limitation, written request for a description of the variances requested, plans, specifications, plot plans and samples of materials) as it shall deem appropriate, in connection with its consideration of a request for a variance. If the A.C.C. shall approve such request for a variance, and grant its permission for such variance, only by written instrument,

addressed to the Owner of the Lot (s) relative to which such variance has been requested, describing the applicable restrictive covenant (s) and the particular variance requested, expressing the decision of the A.C.C. to permit the variance, describing (when applicable) the conditions on which the variance has been approved (including, as examples but without limitation, the type of alternate roofing material to be permitted or the alternate fence height approved), and signed by a majority of the then members of the A.C.C. (or by the Committee's designated representative if one has been designated under authority contained in Section 2 above). Any request for a variance shall be deemed to have been disapproved for the purpose hereof in the event of either (a) written notice of disapproval from the A.C.C.; or (b) failure by the A.C.C. to respond to the request for variance within thirty (30) days following its submission. In the event the A.C.C. or any successor to the authority thereof shall not then be functioning, and/or the term of the A.C.C. shall have expired and the Board of Trustees of the Association shall not have succeeded to the authority thereof as herein provided, no variances from the covenants of this Declaration shall be permitted, it being the intention of Declarant that no variances be available except in the discretion of the authority of the A.C.C. in the manner provided herein, or the Board of Trustees of the Association. The A.C.C. shall have no authority to approve any variance except as expressly provided in this Declaration.

ARTICLE V

The Sterling Green South, Section Six
Community Improvement Association

Section 1. Membership. Every Owner of a Lot in the Subdivision which is subject to a maintenance charge assessment by the Association, including contract sellers, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of the Lots which is subject to assessment by the Association. Ownership of such Lots shall be the sole qualification for membership.

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

Class A. Class A members shall be all those Owners as defined in Section 1. of this Article V., with the exception of the Declarant. Class A members shall be entitled to one vote for each Lot in the Subdivision 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 not more than one vote with respect to any such Lot.

Class B. The Class B member shall be the Declarant defined in this Declaration. The Class B member shall be entitled to three (3) votes for membership by Section 1; provided however, that 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:

- a. When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

b. On January 1, 2003.

The Class A and Class B members shall have no rights as such to vote as a Class, except as required under the Texas Non-Profit Corporation Act, and both classes shall vote together upon all matters as one group. However, no homeowner or lot owner shall have any voting rights unless they are current with payment of assessed H.O.A. dues.

Section 3. Non-Profit Corporation. A nonprofit corporation may organized to assume and perform the duties and function of the Association. Upon the organization of such corporation, and the approval of the Articles of Incorporation and Bylaws therefor by the Federal Housing Administration or the Veterans Administration, all duties, obligations, benefits, liens, and rights hereunder infavor 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 same are not in conflict with the terms and provisions hereof.

Section 5. Inspection of Records. 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.

ARTICLE VI

Covenants for Regular, Annual and Special Assesments

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Lot in the Properties is hereby severally subjected to pay to the Association the following charged and assessments which shall run with the land and shall be in the same and equal amounts for each Lot in the Properties:

(a) a regular annual maintenance assessment in the amount per annum specified, and subject to increase or decrease as provided in, Section 3. below; and

(b) special assessments as provided for and subject to the conditions and limitations provided for in Section 4. of this Article VI.

Each such assessment, together with interest, cost, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment became due.

Section 2. Purpose of Assessments. The maintenance fund shall be used exclusively to promote the health, safety, welfare and enjoyment of the residents in the Subdivision, and the Association shall use the proceeds of said maintenance fund for the use and benefit of all residents of the Subdivision. The uses and benefits to be provided by said Association out of the maintenance fund may include, at its sole option, by way of example and without limitation, any or all of the following: maintaining rights-of-way, easements and esplanades; furnishing and maintaining landscaping, lighting and beautificaiton of the Properties; 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; and doing such other things and taking such other actions as necessary or desirable in the opinion of the Association to keep the Properties and the Subdivision neat and in good order, or which is considered of general benefit to or which is likely to contribute to the health, safety, welfare or enjoyment of the Owners or occupants of the Lots in the Subdivision, it being understood that the judgement of the Association in the expenditure of said funds shall be final and conclusive so long as such judgement is exercised in good faith.

Section 3. Maximum Regular Annual Assessment.

(a) From and after January 1, 1993, the maximum annual assessment of \$150.00/lot may be increased each year (beginning with the year 1994), without a vote of the membership, by an amount not to exceed five percent (5%) of the maximum annual assessment for the previous year.

(b) From and after January 1, 1995, the maximum annual assessment may be increased for any year (beginning with the year 1995) by an amount in excess of ten percent (10%) of the maximum annual assessment for the previous year, only 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 this purpose.

Section 4. Special Assessments. The Board of Trustees of the Association, from time to time by the adoption of a resolution for such purpose, subject to ratification by the Members of the Association as hereinafter provided, may levy and impose, against each Lot in the Subdivision, a special assessment for a specific amount, which shall be equal for each such Lot, to create the Special Assessment Fund to be used for purchasing equipment or facilities for any Common Properties or Common Facilities in the Subdivision and/or for defraying in altering, remodeling, restoring, or reconstructing previously existing capital improvements upon such Common Properties or Common Facilities, including fixtures and personal property related thereto; provided, however, that before any such resolution shall become effective it shall be ratified either (i) by the consent in writing of the Members of the Association who in the aggregate then own at least 75% of the Lots in the Subdivision if no meeting of the membership is held for ratification, or (ii) by the consent of 75% or the votes in person or by proxy at a special meeting of the membership called for this purpose and at which a quorum is present. The Owner of each Lot subject to such assessment shall pay the special assessment to the Association at such time or times and in such manner as provided in such resolution.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3. or 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3. or 4. shall be sent 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 percent (60%) of all the votes of each class of membership shall

