RESTRICT 2005058332

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ESTATES OF WATERFORD

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ESTATES OF WATERFORD (this "Declaration"), is made effective as of the 20th day of May, 2005, by The Waterford Group (hereinafter referred to as "Declarant")

WITNESSETH:

WHEREAS, Declarants are the record fee title owners of that certain 1.295 - acre tract of real property situated in Fort Bend County, Texas, said tract being more particularly described on Exhibit A attached hereto and made a part hereof for all purposes (the "Restricted Property"); and

WHEREAS, Declarants desire to impose upon the Restricted Property the covenants, conditions, and restrictions set forth in this Declaration, for the benefit of the Owners (as herein below defined) of each portion thereof, and thereby to establish a general plan for improvement of the Restricted Property and to establish a flexible and reasonable procedure for the overall development, administration, maintenance, and preservation of the Restricted Property;

NOW, THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS: THAT, the Restricted Property described on Exhibit A hereto, including the improvements constructed or to be constructed thereon, is hereby subjected to the provisions of this Declaration and such Restricted Property, and any additional property which is hereafter subjected to this Declaration by Supplemental Declaration (as defined herein) as permitted by the provisions hereof, shall be held, sold, transferred, conveyed, leased, used, occupied, and mortgaged or otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments, and liens, hereinafter set forth, which

are for the purpose of protecting the value and desirability of, and which shall run with the title to, the real property hereby and hereafter made subject hereto, and shall be binding on all Persons having or acquiring any right, title, or interest in all or any portion of the real property now and hereafter made subject hereto, their respective heirs, legal representatives, successors, successors-in-title, and assigns, and shall inure to the benefits of each and every owner and occupant of all or any portion thereof. This Declaration does not and is not intended to create a condominium within the meaning of Texas Property Code, Section §1.001, et seq.

ARTICLE I

DEFINITIONS: ANNEXATION OF ADDITIONAL PROPERTY: DEANNEXATION

SECTION 1. DEFINITIONS. The following words, used when in this Declaration, shall have the following respective meanings:

- (a) "Articles of Incorporation" or "Articles" means the Articles of Incorporation of Estates Of Waterford Property Owners Association, and any amendments thereto, as filed with the Secretary of the State of Texas.
- (b) "Assessments" shall mean the General Assessments, Special
 Assessments, and/or any other amounts or sums due by any Owner to the Association
 pursuant to the provisions of this Declaration, or any combination thereof, levied by the
 Association for purposes of obtaining funds to Association Expenses as provided herein.
- (c) "Association" shall mean and refer to the Estates Of Waterford Property Owners Association, Inc., a Texas nonprofit corporation, its successors and assigns.
- (d) "Association Expenses" shall mean and include the actual and estimated expenses of operating the Association, and for owning, leading operating, maintaining, repairing, replacing and insuring the Common Areas, and any recreational Facilities on such Common Areas, including a reserve for working capital and other

reasonable reserves, all as may be found to be necessary and appropriate from time to time by the Board of Directors of the Association pursuant to this Declaration and the Association's Bylaws and Articles of Incorporation.

- (e) "Board of Directors" or "Board" shall mean the governing body of the Association.
- (f) "Bylaws" shall mean the Bylaws of the Association, as they may be amended from time to time:
- personal property, and easements and other interests therein, together with the facilities and improvements located thereon, whether located within or without the boundaries of the Restricted Property, now or hereafter owned, leased or operated by the Association for the common use and enjoyment of the Owners. The office of any property manager employed by or contracting with the Association, if located within the boundaries of the Restricted Property, and road rights-of-way or medians and scenic easement areas (if any) within or adjacent to the Restricted Property descried on Exhibit A hereto, may be part of the Common Areas.
- (h) "Declarants" shall mean and refer to Property owners, and their successors-in-title and assigns, provided any such successors-in-title or assign shall acquire for the purpose of development or sale all or any portion of the remaining undeveloped or unsold portions of the Restricted Property subject to this Declaration; and provided further, that in the instrument of conveyance to any such successor-in-title or assigns or by a separate written instrument placed of record in the real property records of Fort Bend County, Texas, such successor-in-title or assign is designated as the "Declarants" hereunder by the grantor of such conveyance, which grantor shall be the "Declarants" hereunder at the time of such conveyance; and provided, further, that upon such designation of such successor Declarants, all rights of the former Declarants in and to such status as "Declarants" hereunder shall cease, it being understood that as to all of

the property described in <u>Exhibit A</u> attached hereto which is now or hereafter subjected to this Declaration, there shall only be one person or legal entity entitled to exercise the rights and powers of the "Declarants" hereunder at any one point in time.

- (i) "Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions for Estates Of Waterford, as such document may hereafter be amended.
- (j) "Exempt Property" shall have the meaning set forth in Section 9 of Article III of this Declaration.
- (k) "General Assessments" shall mean annual assessments levied for Association Expenses, as determined by the Board of Directors, to benefit all Owners.
- (1) "Member" shall refer to every Person entitled to membership in the Association, as provided herein.
- (m) "Modifications Committee" refers to the committee created by the Board of Directors pursuant to Section 3 of Article VI thereof.
- (n) "Mortgage" shall mean and refer to a deed of trust, mortgage or other similar security instrument granting, creating, or conveying a lien on or a security interest in a Unit.
 - (o) "Mortgagee" shall mean a beneficiary or holder of a Mortgage.
- (p) "New Construction Committee" refers to the committee created by the Board of Directors pursuant to Section 2 of Article VI of this Declaration.
- more Persons, of the fee simple title to any Unit which is part of the Restricted Property, including contracted sellers, but excluding those having an interest merely as security for the performance of an obligation or those owning an easement right, a mineral interest, or a royalty interest. If a Unit is subject to a written lease with a term in excess of one (1) year and the lease specifically so provides, then upon filing a copy of the lease with the Board of Directors, the lessee (rather than the fee owner) will be considered to be the Owner for the purpose of exercising all privileges of membership in the Association (but

such recognition of the lessee shall not relieve the fee title Owner of such Unit of all or part of its obligations and liabilities under this Declaration).

- (r) "Person" shall mean any natural person, corporation, joint venture, partnership, association, trust or other legal entity.
- (s) "Recreational Facilities" shall refer to those facilities which are owned, leased, operated and maintained on Common Areas by the Association for use and enjoyment by all the Owners and such other individuals as the Board may permit; such facilities may include, but are not limited to, swimming pools, tennis courts, football and soccer fields, work-out or fitness centers, bath house and locker facilities, meeting halls, and other similar facilities.
- (t) "Restricted Property" shall mean and refer to the real property described on Exhibit A to this Declaration and (i) such additions thereto of other real property as may be brought within the jurisdiction of the Association in accordance with this Declaration, less (ii) such deannexations of property from said Exhibit A as may be made by Declarants in accordance with this Declaration.
- (u) "Street" shall refer to any street, drive, boulevard, road, alley, lane, avenue, or thoroughfare as shown on a Subdivision Plat, or as dedicated to the public or County of Fort Bend, Texas, by separate instrument.
- (v) "Subdivision" shall mean and refer to any subdivision of land within the Restricted Property heretofore or hereafter created by the filing of a map or plat thereof in the Office of the County Clerk of Fort Bend County, Texas, in the Map Records of said County.
- (w) "Subdivision Plat" shall mean and refer to the recorded map(s) or plat(s) of a Subdivision.
- (x) "Supplemental Declaration" shall refer to an amendment to this Declaration subjecting additional property to this Declaration, or deannexing property from this Declaration, in accordance with the provisions hereof.

(y) "Unit" shall mean a portion of the Restricted Property (other than Exempt Property), whether developed or undeveloped, intended for development, use, and occupancy as a detached residence for a single family, and shall, unless otherwise specified, include, without limitation, residential patio homes and single-family detached houses on separately platted lots, as well as vacant land intended for development with any of the foregoing. Units may be developed, used, and defined as provided in this Declaration or as provided in Supplemental Declarations covering all or a part of the Restricted Property. The term shall include all portions of the Restricted Property owned as well as any structure thereon. In the case of a parcel of vacant land or land on which improvements are under construction, the parcel shall be deemed to contain the number of Units designated for residential use for such parcel on the site plan approved by Declarants until initial occupancy of a dwelling or dwellings constructed upon all or a portion of such parcel. After occupancy, the number of Units shall be the number of residences actually constructed, and the number of Units on the remaining vacant land, if any, shall continue to be determined in accordance with this paragraph.

ARTICLE II

ESTATES OF WATERFORD PROPERTY OWNERS ASSOCIATION

SECTION 1. ORGANIZATION. The Association has been or will be organized and formed as a nonprofit corporation under the laws of the Sate of Texas. The principal purposes of the Association are (1) enforcement of the covenants, conditions and restrictions contained herein and in any Supplemental Declarations, (2) architectural control of the Units, and (3) establishment of a method for the administration, maintenance, preservation, use and enjoyment of the Restricted Property now and hereafter subject to this Declaration.

SECTION2. MEMBERSHIP. Every Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from

ownership of any property which is subject to assessment by the Association. No Owner, whether one (1) or more Persons, shall have more than one (1) Membership per Unit owned. In the event the Owner of a Unit is more than one (1) Person, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of Membership in the Association may be exercised by a Member or the Member's spouse, subject to the provisions of this Declaration and the Bylaws. The Membership rights of a Unit owner by a corporation or partnership shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Board, subject to the provisions of this Declaration and the Bylaws.

SECTION 3. VOTING. The Association shall have one class of Membership.

entitled to one (1) vote for each unit in which they hold the interest required for Membership in the Association; however, there shall be only one (1) vote per Unit. Unless otherwise specified in this Declaration or the Bylaws, the vote for each Unit shall be exercised by the Owner of the Unit. In any situations where more than one Person holds the interest in such Unit required for Membership in the Association, the vote for such Unit shall be exercised as those Persons determine among themselves and advise the Secretary of the Association in writing prior to any meeting. In the absence of such writing, the vote for such Unit shall be suspended in the event more than one Person seeks to exercise such vote.

ARTICLE III

PROPERTY RIGHTS OF THE COMMON AREAS AND EASEMENTS

SECTION 1. EASEMENTS-GENERAL. Easements for the installation and maintenance of utilities are reserved as shown and provided for on the Subdivision Plats and/or as dedicated by separate instruments. Neither Declarants nor any utility

company or authorized political subdivision using the easements referred to herein shall be liable for any damages done by them or their assigns, agents, employees or servants, to fences, shrubbery, trees, flowers, improvements or other property of the Owners situated on the land covered by such easements as a result of construction, maintenance or repair work conducted by such parties or their assigns, agents, employees or servants.

SECTION 2. EASEMENTS FOR UTILITIES AND PUBLIC SERVICES.

There is herby reserved for the benefit of Declarants, the Association, and their respective successors and assigns, the alienable, transferable, and perpetual right and easement, as well as the power to grant and accept easements to and from Fort Bend County, the City of Missouri City, Texas, or any other public authority or agency, utility district, public improvement district or public or private utility company, upon, over, under, and across (i) all of the Common Areas, and (ii) those portions of the Restricted Property as are reasonably necessary, for the purpose of installing, replacing, repairing, maintaining and using master television antenna and/or cable systems, security and similar systems, and all utilities, including, but not limited to storm sewers, drainage systems and retention ponds and facilities for the Restricted Property or any portion thereof, and electrical, gas, telephone, water, and sanitary sewer lines, street lights, street signs and traffic signs; provided, however, that such easements shall not unreasonably and adversely affect the developability, marketability or value of any Unit. Such easements may be granted or accepted by Declarants or by the Board of Directors. To the extent possible, utility lines and facilities serving the Restricted Property and located therein shall be located underground. Streetlights, street signs and traffic signs will be located above ground. By virtue of any such easement and facilities, it shall be expressly permissible for the providing utility company or other supplier or services, with respect to the portions of the Restricted Property encumbered: (i) to erect or install

and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities, (ii) to cut and remove the trees, bushes, or shrubbery, (iii) to excavate or fill, or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement, and use of such utilities and systems.

(b) Declarants hereby grant to Fort Bend County, the City of Missouri City,
Texas, or such other government authority or agency as shall from time to time have
jurisdiction over the Restricted Property (or any portion thereof) with respect to law
enforcement and fire protection, the perpetual, nonexclusive right and easement
upon, over and across all of the Common Areas for purposes of performing such
duties and activities related to law enforcement and fire protection in the Restricted
Property as shall be required or appropriate from time to time by such governmental
authorities under applicable law.

SECTION 3. EASEMENTS FOR ASSOCIATION. There is hereby reserved a general right and easement for the benefit of the Association, its Board of Directors (and each member of such Board), officers, agents, and employees, including, but not limited to, any manager employed by the Association and any employees of such manager, to enter upon any Unit in the performance of their respective duties.

Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to and with permission of the Owner of the Unit directly affected thereby.

SECTION 4. RIGHTS OF DECLARANTS DURING CONSTRUCTION AND SALE PERIOD. Notwithstanding any provisions contained in this Declaration, until Declarants have developed all of their land within the Restricted Property (including any additional land annexed into the Restricted Property by Declarants), it shall be expressly permissible for Declarants and any Owner approved by Declarants to maintain and carry on, upon such portion of the Restricted Property as Declarants

may deem necessary, such facilities and activities as in the sole opinion of Declarants may be required, convenient, or incidental to Declarants' and such Owner's development and construction activities related to their properties, including, but without limitation: the right to access, ingress and egress for vehicular and pedestrian traffic over, under, on or in the Restricted Property; the right to tie into any portion of the Restricted Property with driveways, parking areas and walkways; the right to tie into and/or otherwise connect and use (without a tapon or any other fee to Declarants or such Owner, but with applicable tapon and other fees to the company or Person providing utility services for so doing), replace, relocate, maintain and repair any device which provides utility or similar services including, without limitation, electrical, telephone, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Restricted Property.

ARTICLE IV

INSURANCE, CAUSALTY LOSSES, AND CONDEMNATION

SECTION 1. INDIVIDUAL INSURANCE. By virtue of taking title to a Unit subject to the terms of this Declaration, each Owner acknowledges and agrees with all other Owners and the Association that each such Owner shall be responsible for obtaining and maintaining all-risk casualty insurance on his portion of the Restricted Property and the structures constructed thereon, of the types and in such amounts as such Owner shall deem prudent or such Owner's Mortgagee may require, and the Association is not obligated to carry such insurance. Each Owner further covenants and agrees that in the event of a partial loss or damage resulting in less than total or substantially total destruction of the structure on his property, the Owner shall proceed promptly to repair or to reconstruct the damaged structure(s) in a manner consistent with the original construction or such other plans and specifications as are

approved in accordance with Article VI of this Declaration. The Owner shall pay any costs of repair or reconstruction which are not covered by insurance proceeds. In the event that a structure is totally or substantially destroyed, the Owner may decide not to rebuild or to reconstruct, in which case the Owner shall clear his property of all debris and return in it to substantially the natural state in which it exist prior to the beginning of construction.

ARTICLE V

ARCHITECTUAL STANDARDS

SECTION 1. PURPOSE. In order to preserve the natural setting and beauty of the Restricted Property, to establish and preserve a harmonious and aesthetically pleasing design for the Estates Of Waterford project and to protect and promote the value of the Restricted Property, all improvements within the Restricted Property shall be subject to the restrictions set forth in this Article IV. Every grantee of any interest in a Unit, by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article.

SECTION 2. NEW CONSTRUCTION COMMITTEE. The Declarants hereby establishes the New Construction committee (sometimes hereinafter called the "NCC"), which shall have exclusive jurisdiction over all original construction within the Restricted Property. The NCC shall prepare and shall promulgate, on behalf of the Association, design and development guidelines and application and review procedures. The NCC shall have sole and full authority to prepare and to amend the same including the right to establish different guidelines for separate neighborhoods and guidelines with more stringent requirements for a particular neighborhood or neighborhoods. The NCC shall make the guidelines and procedures available to Owners who seek to engage in development or construction within the Restricted Property, who shall conduct their operations strictly in accordance therewith. For so

Declarants retain the right to appoint all members of the NCC (and all replacements therefore or additions thereto), which shall consist of at least one (1) member from each other the three (3) Owners' households. There shall be no surrender of Declarants' right to appoint the members of the NCC prior to the date on which a Declarants no longer owns fee title to any portion of the Restricted Property, except in a written instrument executed by Declarants and recorded in the Real Property Records of Fort Bend County, Texas. Upon the expiration of such right, the Board of Directors shall appoint the members of the NCC and shall promulgate and administer the design and development guidelines and application and review procedures. The NCC is authorized, but not obligated, to retain the services of consulting architects, landscape architects, urban designers, engineers, inspectors, and/or attorneys in order to advise and assist the NCC in performing its functions as set forth herein.

The NCC shall promulgate detailed standards and procedures governing its area of responsibility and practice. In addition thereto, the following shall apply: plans and specifications showing the nature, kind, shape, color, size, materials, and location of original construction, shall be submitted to the NCC for approval as to the aesthetic nature of the design and the harmony of external design with existing structures, and as to location in relation to surrounding structures, topography, and finish grade elevation.

establishes the Modification Committee (hereinafter sometimes called the "MC") which shall consist of at least three (3), but no more than five (5), individuals. The initial members of the MC shall be representatives from three (3) Owner households. The NCC and the MC are sometimes hereinafter collectively referred to together as the "Architectural Committee" and individually as an "Architectural Committee".

The MC shall have exclusive jurisdiction over modifications, additions, or

alterations made on or to Units; provided, however, the MC may delegate this authority to the appropriate board or committee of any residential association subsequently created or subsequently subjected to this Declaration so long as the MC has determined that such board or committee has in force review and enforcement practices, procedures and appropriate standards at least equal to those of the MC. Such delegation may be revoked and jurisdiction resumed at any time by written notice.

The MC shall promulgate detailed standards and procedures governing its area of responsibility and practice. In addition thereto, the following shall apply: plans and specifications showing the nature, kind, shape, color, size, materials, and location of such modifications, additions, or alterations, shall be submitted to the MC for approval as to the aesthetic nature of the design and the harmony of external design with existing structures, and as to location in relation to surrounding structures, topography, and finish grade elevation.

SECTION 4. ARCHITECTUAL APPROVAL. To preserve the architectural and aesthetic appearance of the Restricted Property, no construction of improvements, or modification, additions, or alterations to existing improvements, shall be commenced or maintained by any Owner with respect to any of the Units, including, without limitation, the construction or installation of sidewalks, driveways, parking lots, mail boxes, decks, patios, courtyards, swimming pools, tennis courts, greenhouses, awnings, walls, fences, exterior lights, garages, guest or servants' quarters, or other outbuildings, nor shall any exterior addition to or change or alteration therein be made (including, without limitation, painting or staining of any exterior surface), unless and until two (2) copies of the plans and specifications and related data (including, if required by the NCC or the MC, as applicable, a survey showing the location of trees of six(6) inches in diameter at a height of for(4) feet above ground and other significant vegetation) showing the nature, color, type, shape, height.

materials, and location of the same shall have been submitted to and approved in writing by the appropriate Architectural Committee as to the compliance of such plans and specifications with such design guidelines (the "Design Guidelines") as may be published by the Architectural Committees from time to time including the harmony of external design, location, and appearance in relation to surrounding structures and topography. One copy of such plans, specifications, and related data so submitted shall be retained in the records of the appropriate Architectural Committee, and the other copy shall be returned to the Owner marked "approved." "approved with conditions as noted," or "disapproved." The Architectural Committees may establish a reasonable fee sufficient to cover the expense of reviewing plans and related data and to compensate any consulting architects. landscape architects, urban designers, inspectors, or attorneys retained in accordance with the terms hereof. Notwithstanding the foregoing, no permission or approval shall be required to repaint in accordance with an originally-approved color scheme, or to rebuild in accordance with originally-approved plans and specifications. Nothing contained herein shall be constructed to limit the right of an Owner to remodel the interior of his Unit, or to paint the interior of his Unit any color desired. The Architectural Committees shall have the sole discretion to determine whether plans and specifications submitted for approval are acceptable to such Architectural Committee.

In the event the appropriate Architectural Committee fails to approve or disapprove in writing any proposed plans and specifications within sixty (60) days after the date on which such plans and specifications shall have been submitted, such plans and specification will be deemed to have been expressly approved, provided the proposed improvements are generally in harmony with the scheme of the Restricted Property as set forth in this Declaration. Upon approval of plans and specifications, no further approval under this Article VI shall be required with respect thereto,

unless such construction has not substantially commenced within six (6) months of the approval of such plans and specifications (e.g. clearing and grading, pouring of footing, etc.) or unless such plans and specifications are materially altered or changed. Disapproval of plans and specifications may be based on the Architectural Committee upon any ground which is consistent with the objects and purposes of this Declaration as defined in Design Guidelines which shall be promulgated by the Architectural Committees from time to time, including purely aesthetic considerations, so long as such grounds are not arbitrary or capricious.

SECTION 5. LANDSCAPING APPROVAL. To preserve the aesthetic appearance of the Restricted Property, no landscaping, grading, excavation, or filling of any nature whatsoever shall be implemented and installed on a Unit by any Owner unless and until the plans therefore have been prepared in accordance with the Design Guidelines therefore, and have been submitted to and approved in writing by the appropriate Architectural Committee. The provisions of Section 4 hereof regarding time for approval of plans, right to inspect, right to enjoin and/or require removal, and so forth shall also be applicable to any proposed landscaping clearing, grading, excavation, or filling.

SECTION 6. APPROVAL NOT A GUARANTEE. The review and approval of plans pursuant to this Article is made on the basis of aesthetic considerations only and no approval of plans and specifications and no publication of Design Guidelines shall be construed as representing or implying that such plans, specifications, or Design Guidelines will, if followed, result in properly designed improvements. Such approvals and design guidelines shall in no event be construed as representing or guaranteeing that any improvements built in accordance therewith will be built in a good and workmanlike manner. Neither Declarants, the Association, nor either of the Architectural Committees shall be responsible or liable for any defects in any plans or specifications submitted, revised, or approved pursuant to the terms of this Article

VI, any loss or damages to any person arising out of the approval or disapproval of any plans or specifications (or any related construction delays), any loss or damage arising from the noncompliance of such plans and specifications with any governmental ordinances and regulations, nor any defects in construction undertaken pursuant to such plans and specifications. The purpose of such reviews primarily seeks to conform the aesthetic appearances of development within the Restricted Property.

SECTION 7. APPEAL TO THE BOARD OF DIRECTORS. In the event that plans and specifications submitted for approval in accordance with the provisions hereof are disapproved by an Architectural Committee, the Owner shall have the right to appeal the decision to the Board of Directors by written notice of appeal received by the President or Secretary of the Board of Directors within thirty (30) days after the date of disapproval. Procedures for such an appeal shall be determined by the Board of Directors. No action may be brought against the Association, its officers or directors, or the Architectural Committees or any of their respective members unless and until an appeal is made by the Owner and a decision on such an appeal is made by the Board of Directors.

SECTION 8. RIGHT TO INSPECT. Any member of the Board of Directors or the Architectural Committees and their respective representatives shall have the right, but not the obligation, during reasonable hours, to enter upon and inspect any Unit with respect to which construction is underway to determine whether or not the plans and specifications thereof have been approved and are being complied with. Such Person or Persons shall not be deemed guilty of trespass by reason of such entry. In the event the appropriate Architectural Committee shall determine that such plans and specifications have not been approved or are not being complied with, the appropriate Architectural Committee shall be entitled to enjoin further construction and to require the removal or correction of any work in place which

does not comply with approved plans and specifications. In addition to any other remedies available to the Association, the Board of Directors may record in the appropriate land records a notice of violation naming the violating Owner.

SECTION 9. NO WAIVER OF FURTURE APPROVALS. The approval by the applicable Architectural Committee or the Board of Directors of any plans and specifications for any work done or proposed, or in connection with any other matter requiring the approval and consent of such committee or the Board of Directors, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

SECTION 10. VARIANCE. The Architectural Committees and the Board of Directors may authorize variances from compliance with any of the Architectural Committees' respective guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations. Such variances ma only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of this Declaration, or (c) stop the Architectural Committee or Board of Directors from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing, shall not be considered a hardship warranting a variance.

SECTION 11. COMPLIANCE WITH GUIDELINES. Any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of the guidelines and procedures promulgated by the Architectural Committee may be excluded by the Board of Directors from the

Restricted Property without liability to any person, subject to any applicable notice and hearing procedures contained in the Bylaws.

SECTION 12. CONSTRUCTION OR MODIFICATION OF COMMERCIAL IMPROVEMENTS. The provisions of this Article VI requiring approval by the applicable Architectural Committee of the plans for the construction or modification of improvements on the Units shall not apply to any tract of land adjacent to or in the vicinity of the Restricted Property which is developed for commercial operating independently of the Architectural Committees and the Association to review plans for commercial improvements on tracts of land not annexed into the Restricted Property, but no representation is made that such a review committee or committees will be created.

ARTICLE VI

GENERAL RESTRICTIONS

SECTION 1. PERMITTED USE. The Restricted Property shall be used only for residential and related purposes. Any Supplemental Declaration or additional covenants imposed on any portion of the Restricted Property may impose stricter standards than those contained in this Declaration. The Association, acting through its Board of Directors, shall have the power to enforce such standards.

SECTION 2. PROHIBITED USE. No use of the Restricted Property shall be permitted which is offensive by reason of odor, fumes, dust, smoke, noise or pollution, or which is hazardous by reason of excessive danger of fire or explosion. No activity or use shall be permitted on or with respect to the Restricted Property which is obnoxious to or out of harmony with a distinctive community including, but not limited to, any trailer houses and trailer parks, junk or scrap metal yard, waste material business, any dumping, disposal, incineration or reduction of garbage or refuse, and any fire, bankruptcy or auction sale or operation. No burning of rubbish or trash shall be permitted at any time within the Restricted Property.

SECTION 3. NUISANCE. It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her property. No property with the Restricted Property shall be used, in whole or in part, for the storage of any property or thing that will cause such property to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on within the Restricted Property, nor shall anything be done tending to cause embarrassment, discomfort, annoyance, or nuisance to any Person using any property within the Restricted Property. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Restricted Property. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except such devices as may be used exclusively for security purposes, shall be located, installed or maintained upon the exterior of any Unit unless required by law.

SECTION 4. MINERAL PRODUCTION. No oil drilling, oil development operations, refining, quarrying or mining operations of any kind shall be permitted within the Restricted Property, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon any Unit. No derrick or other structure designed for use in boring for oil or natural gas shall be permitted upon any Unit.

SECTION 5. OWNER'S MAINTENANCE. Each Owner of a Unit shall at times be obligated to maintain his portion of the Restricted Property and all improvements thereupon (and the area between the boundary lines of adjacent Streets if such area is not otherwise maintained), so as to keep same in a clean, sightly and safe condition

and to conform with any specific standards which the Board of Directors may adopt by resolution for the Restricted Property. Unless expressly assumed by the Association, an Owner's maintenance obligation shall include, but not be limited to: the maintenance of all visible exterior surfaces of all buildings and other improvements; the prompt removal of all paper, debris, and refuse; the removal and replacement of dead and diseased trees and planting (including trees located within the Street right-of-way adjacent to the Unit); the removal of all snow and ice form paved areas; the repair, replacement, cleaning and revamping of all signs and lighting fixtures; the maintenance and repair of the sidewalks within or adjacent to the Unit; the mowing, watering, fertilizing, weeding, replanting and replacing of all approved landscaping; and, during construction, the cleaning of dirt, construction debris and other construction -related refuse from Streets and storm drains and inlets. In the event an Owner fails to maintain his Unit as herein provided, the Association may, in addition to all other remedies specified herein, perform the maintenance work which such Owner has failed to perform and assess all costs incurred in connection therewith against such Owner, which costs shall be secured by the lien set forth in Section 6 of Article III of this Declaration.

ARTICLE VII

SPECIFIC USE AND ARCHITECTURAL RESTRICTIONS

SECTION 1. RESIDENTIAL USE. All Units shall be used for single-family residential purposes exclusively. For purposes of this restriction, a "single family" shall mean any number of persons related by blood, adoption, or marriage living with not more than one person who is not so related as a single household unit, or no more than two persons who are not so related living together as a single household unit, and the household employees of either such household unit; but the term "single family" expressly excludes more than one set of spouses or persons living together as husband and wife of the same generation, e.g., if spouses (with or without children)

occupy the Unit, the parents of one spouse may also occupy the Unit with them, but the parents of both spouses may not simultaneously occupy the Unit with them; or a sibling or siblings of either the spouses may occupy the Unit with them, but no spouse of any such sibling may occupy the Unit with them; or the spouse of one child of the couple may occupy the Unit with them, but not more than one spouse of a child may occupy the Unit with them.

No business or business activity shall be carried on, in or upon any Unit at any time except with the written approval of the Board of Directors. However, the Board of Directors may permit a Unit to be used for business purposes so long as such business, in the sole discretion of the Board of Directors, does not otherwise violate the provisions of this Declaration, does not create a disturbance and does not unduly increase traffic flow or parking congestion. The Board of Directors may issue rules regarding permitted business activities. Leasing of a Unit for residential occupancy shall not be considered a business or business activity.

SECTION 2. ANTENNAS. Except as expressly permitted by applicable law, no exterior antennas of any type including, without limitations, satellite dishes shall be erected, constructed, place, or permitted to remain on any Unit without the prior written consent of the NCC. If approved (or if expressly permitted by applicable law), the installation shall be subject to such conditions or restrictions as the NCC specifies, such as, for example, a requirement that an antenna be located to the rear of the roof ridge line, that a freestanding antenna be located behind the rear wall of a Unit and screened from view by installation of approved fencing or other screening devices, or that no antennas, either freestanding or attached, exceed a particular specified height. The right is hereby reserved to the Board of Directors to erect master antennas, satellite dishes or similar master systems for the benefit of all or a portion of the Restricted Property.

kind may be raised, bred, kept, or permitted on or in any Unit, with the exception of dogs, cats or other usual and common household pets in reasonable number, as determined by the Board of Directors; provided, however, those pets which are permitted to roam free, or which in the sole discretion of the Board of Directors, endanger health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners within the Restricted Property may be removed by the Board of Directors. No pets shall be kept, bred or maintained for any commercial purpose. Dogs which are household pets shall at all times whenever they are outside a Unit be on a leash or otherwise confined in a manner acceptable to the Board of Directors. Without prejudice to the Board of Directors' right to remove any such household pets, no household pet that has caused damage or injury may be walked in the Restricted Property. Animal control authorities shall be permitted to enter the Restricted Property to patrol and remove pets. Pets shall be registered, licensed and inoculated as required by law.

SECTION 6. VEHICLES. Each detached, single-family house constructed on a separately platted lot shall include a functional garage (attached to or detached from such residence) with space for not less than two (2) full-sized automobiles. The term "vehicles", as used herein, shall include, without limitation, motor homes, boats, trailers, motorcycles, mini bikes, scooters, go-carts, trucks, campers, buses, vans, and automobiles. No vehicle may be left upon any Unit, except in a garage or other area designated by the Board of Directors, for a period longer than five (5) days if it is unlicensed or if it is in a condition such that it is incapable of being operated upon the public highways. After such five (5) day period, such vehicle shall be considered a nuisance and may be removed. No boat, recreational vehicle, motor home, or mobile home shall be parked or stored on a Unit for a period longer than twenty-four (24) hours, except in a garage or other area designated by the Board of

Directors. After twenty-four (24) hours any such vehicle shall be considered a nuisance and may be removed by the Board of Directors. Trucks with mounted campers which are an Owner's or occupant's primary means of transportation shall not be considered recreational vehicles, provided they are used on a regular basis for transportation and the camper is stored out of public view upon removal. No motorized vehicles shall be permitted on pathways, bike paths, or unpaved Common Areas except for public safety vehicles and vehicles authorized by the Board of Directors.

debris, or offensive material of any kind shall be kept or allowed to remain on any Unit, nor shall any Unit be used or maintained as a dumping ground for such materials. All such matter shall be placed in sanitary refuse containers of metal, plastic or masonry materials with tight fitting sanitary covers or lids and placed in an area adequately screened from public view by planting or fencing. All rubbish, trash and garbage shall be regularly removed and not allowed to accumulate. Equipment used for the temporary storage and/or disposal of such materials prior to removal shall be kept in clean and sanitary condition and shall comply with all current laws and regulations and those which may be promulgated in the future by any federal, state, county, municipal or other governmental body with regard to environmental quality and waste disposal. In a manner consistent with good housekeeping, the Owner of such Unit shall remove such prohibited matter from his Unit at regular intervals at his expense.

SECTION 8. DRAINAGE. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner or occupant of a Unit may obstruct or rechannel the drainage flows after location and installation of drainage swales, storm sewers or storm drains.

SECTION 9. CLOTHESLINES, GARBAGE CANS, WOODPILES, ETC. All garbage cans, woodpiles, swimming pools pumps, filters and related equipment and other similar items shall be located or screened so as to be concealed from view of neighboring Streets and property.

SECTION 10. GUNS. The use of firearms within the Restricted Property is prohibited. The term "firearms" includes "B-B" guns, pellet guns, and small firearms of all types. Nothing contained herein or in the Bylaws shall be construed to require the Association to take action to enforce this Section.

SECTION 11. TEMPORARY BUILDINGS. Temporary buildings or structures shall not be permitted on any Unit; provided, however, that Declarants may permit temporary toilet facilities, construction offices, and storage areas to be used by builders in connection with the construction and land development activities within the Restricted Property.

SECTION 12. GRASS AND SHRUBBERY. The Owner of each Unit shall solid sod with grass the area between the front of his residence and the curb line of the abutting Street and the side yard of such Unit out to the curb on all corner Units, in accordance with the Design Guidelines. Grass and weeds shall be kept mowed to prevent unsightly appearance, and all curbs, drives and walkways shall be kept edged. Dead or damaged tree, which might create a hazard to property or persons, shall be removed or repaired, and if not removed by the Owner upon request, then the Association may remove or cause to be removed such trees at the Owner's expense and shall not be liable for damage caused by such removal. The Association may plant, install and maintain shrubbery and other screening devices around boxes, transformers and other above-ground utility equipment, and mow and maintain the grass around such areas. The Association shall have the right to enter upon the Units to plant, install, maintain and replace such shrubbery or other screening devices, and

mow and maintain grass around such areas following reasonable advance notice to the Owner of such Unit.

SECTION 13. TRAFFIC SIGHT AREAS. All units located at Street intersections shall be landscaped so as to permit safe sight across the Street corners.

No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where this would create a traffic or sight problem.

SECTION 14. MAILBOXES. Mailboxes, house numbers and similar matter used in the Restricted Property must be harmonious with the overall character and aesthetics of the area.

SECTION 15. DISPOSAL UNITS. The kitchen in each Unit shall be equipped with a garbage disposal unit in serviceable condition.

SECTION 16. PRIVATE UTILITY LINES. All electrical, telephone, and other utility lines and facilities which are located on a Unit and are not owned by a governmental entity or a public utility company shall be installed in underground conduits or other underground facilities unless otherwise approved in writing by the Association.

SECTION 17. ROOF STACKS. All roof stacks and flashings on each Unit must be painted to match the color of the roof of the Unit unless otherwise approved by the NCC.

SECTION 18. DECORATIONS. On front lawns of Units and on any portion of a Unit visible from any Street, there shall be no decorative appurtenances placed, such as sculptures, birdbaths and birdhouses, fountains or other decorative embellishments unless such specific items have been approved in writing by the MC.

SECTION 19. PLAYGROUND EQUIPMENT. All playground equipment on a Unit must be placed at the rear of the Unit and must be placed behind a fence or otherwise screened from public view from an abutting Street.

SECTION 20. SIGNS. No signs, billboards, posters, or advertising devices of any kind shall be permitted on any portion of the Restricted Property, other than: (a) with respect to a previously occupied Unit, one sign approved by the MC, advertising a particular Unit on which the sign is situated for sale or rent; or (b) with respect to a vacant lot or a Unit under construction, one sign approved by the NCC, advertising such vacant lot or the residence thereon as for sale or rent; provided, however, no sign advertising a Unit for sale shall contain the word "foreclosure" or any synonym for or derivative of such word. All such signs, billboards, posters or advertising devices (including, without limitation, all "stake signs" must comply with all applicable codes and ordinances of the City of Missouri City, Texas. The right is reserved by Declarants to construct and maintain signs, billboards and advertising devices on land it owns and on the Common Area as customary in connection with the sale of developed tracts and newly constructed residential dwellings. In addition, the Declarants and the Association shall have the right to erect and maintain identifying signs and monuments at each entrance to the Subdivisions.

In addition to any other remedies provided for herein, the Board of Directors or its duly authorized agent shall have the power to enter upon a Unit to remove any sign which violates this Section, provided the violating Owner has been given forty-eight (48) hours written notice by the Board of Directors of its intent to exercise self-help. All costs of self-help, including reasonable attorneys' fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of Assessments.

ARTICLE VIII

MORTGAGEE PROVISIONS

The following provisions are for the benefits of the holders of Mortgages. To the extent applicable, necessary or proper, the provisions of this Article apply to both this Declaration and to the Bylaws, notwithstanding any other provisions contained herein or therein.

SECTION 1. NOTICES OF ACTION. A Mortgagee who provides written request to the Association (such request to state the name and address of such holder, insurer or guarantor and the description of the affected portion of the Restricted Property), will be entitled to timely written notice of:

- (a) any proposed dissolution of the Association;
- (b) any condemnation loss or any casualty loss which affects the property on which there is a mortgage or deed of trust held, insured, or guaranteed by such Mortgagee; or
- (c) any delinquency in the payment of Assessments or charges owed by an Owner or the property subject to the Mortgage of such Mortgagee, where such delinquency has continued for a period of sixty (60) days.

SECTION 2. NO PRIORITY. No provision of this Declaration gives or shall be construed as giving any Owner or other party priority over any rights of the Mortgagees in the case of distribution of insurance proceeds or condemnation awards for losses to or a taking of the Common Areas.

SECTION 3. NOTICE TO ASSOCIATION. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbered such Owner's property.

SECTION 4. FAILURE OF MORTGAGEE TO RESPOND. Any Mortgagee who receives a written request from the Board of Directors to consent to any action requiring such Mortgagee's consent shall be deemed to have approved such action if the Association does not receive a written response to its request for consent from such Mortgagee within thirty (30) days after the date of the Association's request.

ARTICLE IX

GENERAL PROVISIONS

SECTION 1. TERM. The provisions of this Declaration shall run with and bind the land and shall be and remain in effect for a period of forty (40) years after the date that this Declaration is recorded in the Official Public Records of Real Property of Fort Bend County, Texas, after which time they shall be automatically extended for successive periods of ten (10) years each, unless an instrument in writing, signed by the Owners of not less than a majority of the Units then subject to the provisions hereof has been recorded within the year immediately preceding the beginning of a ten (10) year renewal period, agreeing to modify this Declaration in whole or in part, or to terminate the same, in which case this Declaration shall be modified or terminated as specified therein. Every purchaser or grantee of any interest in any real property subject to this Declaration, by acceptance of a deed or other conveyance therefore, thereby agrees that the provisions of this Declaration may be extended and renewed as provided in this Section.

SECTION 2. SEVERABILITY. Invalidation of any one of these covenants by judgement or other court order shall in no way affect any other provisions, which shall remain in full force and effect except as to any terms and provisions which are invalidated.

SECTION 3. GENDER AND GRAMMAR. The singular wherever used herein shall be construed to mean or include the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations (or other entities) or individuals, male or female, shall in all cases be assumed as though in each case fully expressed.

SECTION 4. TITILES: CAPTIONS. The titles of this Declaration and/or the captions of Articles and Sections contained herein are included for convenience only

and shall not be used to construe, interpret, or limit the meaning of any term or provision contained in this Declaration.

SECTION S. AMENDMENT. Provided that there is no adverse affect on the title to any Owner's property or that any such Owner shall consent thereto, this Declaration may be amended unilaterally at any time and form time to time by Declarants (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statue, rule, or regulation or judicial determination which shall be in conflict therewith; (b) if such amendment is required by an institutional or governmental lender or purchaser or mortgage loans, including, for example, the Federal National Mortgage Association or Federal home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the property subject to this Declaration; or (c) if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the property subject to this Declaration. In addition, so long as Declarants still owns any of the property described in Exhibit A hereto for development as part of the Restricted Property, the Declarants may unilaterally amend this Declaration for any other purpose, provided that the amendment has no material adverse affect upon any right of any Owner or the Owner or Owners so affected have consented thereto.

In addition to the amendments described above, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Members representing one hundred percent (100%) of the total Membership votes in the Association. No amendment may remove, revoke, or modify any right or privilege of Declarants without the written consent of Declarants. Any amendment to this Declaration must be recorded in the Office of the County Clerk of Fort Bend County, Texas.

SECTION 6. MERGER AND CONSOLIDATION. Upon a merger or consolidation of the Association with another non-profit corporation organized for the same or similar purposes, the Association's properties, rights, and obligations may be transferred to the surviving or consolidated association; or alternatively, the properties, rights and obligations of another association may be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants, conditions and restrictions applicable to the properties of the other association as one scheme. No merger or consolidation shall be permitted except with the consent of Members representing one hundred percent (100%) of the total Membership vote.

SECTION 7. DISSOLUTION. The Association may be dissolved with the consent of Members representing one hundred percent (100%) of the total Membership vote. Upon dissolution of the Association, other than incident to merger or consolidation, the assets of the Association shall be divided equally between the three (3) Owners.

SECTION 9. PERPETUITIES. In any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

SECTION 10. CUMULATIVE EFFECT: CONFLICTS. The covenants, restrictions and provisions of this Declaration shall be cumulative with those of any Supplemental Declarations; provided, however, in the event of conflict between or among such covenants, restrictions, and provisions of any article of incorporation, rules and regulations, policies, or practices carried out pursuant thereto, those of any Supplemental Declaration shall be subject and subordinate to those of this

Declaration. The foregoing priorities shall apply, but not be limited to the lien for Assessments created in favor of the Association.

SECTION 11. USE OF THE WORDS ESTATES OF WATERFORD. No other Person shall use the words "Estates Of Waterford" or "Estates Of Waterford Property Owners Association" or any derivative thereof in a printed or promotional material without the prior written consent of the Declarants. However, Owners may use the terms "Estates Of Waterford" or "Estates Of Waterford Property Owners Association" in printed or promotional matter where such reference is used solely to specify that particular property is located within the Estates Of Waterford project, and the Association shall be entitled to use the words "Estates Of Waterford" in its name.

SECTION 12. SECURITY. The Association may, but shall not be obligated to, maintain or support certain activities within the Restricted Property designed to make the Restricted Property safer than they otherwise might be. NEITHER THE ASSOCIATION, THE DECLARANTS, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE RESTRICTED PROPERTY, HOWEVER, AND NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANTS SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OR FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS AND OCCUPANTS OF ANY UNITS, TENANTS, GUEST AND INVITEES OF ANY OWNER, AS APPLICALE, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD OF DIRECTORS, DECLARANTS, OR ANY SUCCESSOR DECLARANT AND THE ARCHITECTUAL COMMITTEES DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTON SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM DESIGNATED BY OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED

BY THE DECLARANTS OR THE ARCHITECTURAL COMMITTEES MAY NOT BE COMPROMISED OR CIRCUMVENTED, THAT ANY FIRE PROTECTION OR BURGAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGULARY, THEFT, HOLD-UP, OTHERWISE, NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER AND OCCUPANT OF ANY UNIT, AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, THE ARCHITECTURAL COMMITTEES, THE DECLARANTS, OR ANY SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH OWNER AND OCCUPANT OF ANY UNIT AND EACH TENANT, GUEST, AND INVITEE OF ANY OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO UNITS AND TO THE CONTENTS OF UNITS AND FURTHER ACKNOWLEDGE THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, THE ARCHITECTURAL COMMITTEES, THE DECLARANTS, OR ANY SUCCESSOR DECLARANTS HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER, OCCUPANT, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES. EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTIES.

SECTION 13. FHA APPROVAL. Not withstanding anything contained in this Declaration to the contrary, if the Declarants have obtained, or should the Declarants seek and obtain, approval of the Federal Housing Administration ("FHA") for a

subdivision in the Restricted Property or any subsequent addition thereto, the annexation of additional properties into the Restricted Property, any mergers and/or consolidations of the Association, the dedication of Common Areas, the mortgaging of Common Areas, the dissolution of the Association, the amendment of this Declaration, shall require the prior approval of the FHA.

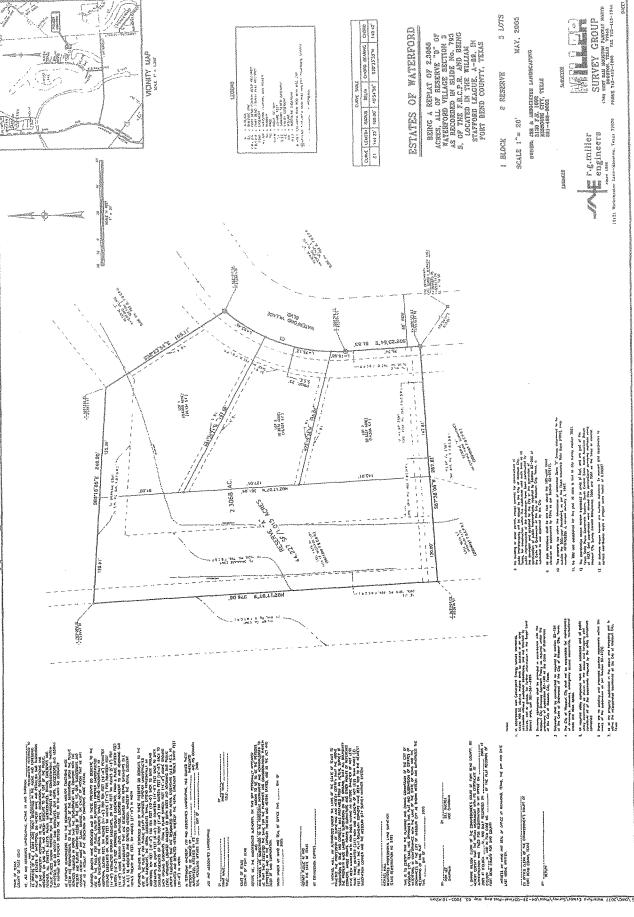
SECTION 14. DISCLAIMER OF WARRANTY. DECLARANTS MAKE NO WARRANTY, EXPRESS OR IMPLIED, REGARDING THE ESTATES OF WATERFORD DEVELOPMENT TO OR IMPROVEMENTS ON THE ESTATES OF WATERFORD DEVELOPMENT, THE CONDITION OF THE ESTATES OF WATERFORD DEVELOPMENT, THE SUFFICIENCY OF UTILITIES, THE WORKMANSHIP, DESIGN OR MATERIALS USED IN EVERY IMPROVEMENT, INCLUDING WITHOUT LIMITATION COMMON AREAS AND/OR RECREATIONAL FACILITIES, AND THE DECLARANTS EXPRESSLY DISCLAIMS AND NEGATES, ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY, LIABILITY, FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE OR USE OR ANY WARRANTY OF QUALITY.

IN WITNESS WHEREOF, this Declaration of Covenants, Conditions and Restrictions for Estates Of Waterford is executed effective as of the date first set forth above.

By: The Waterford Group

Johnny Spencer

President



THE STATE OF TEXAS

COUNTY OF FORT BEND

	, 2005, by
Johnny Spencer, the President of The Waterford Group, on behalf of said group	
membership.	

(SEAL)

JEANNIE J JONES
NOTARY PUBLIC
State of Texas
Comm Exp 12-08-2007

Notary Public in and for The State of Texas

Jeannie J. Jones Name printed or typed

My commission expires: 12-08-2007

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Dianne Wilson, Ph.D. COUNTY CLERK FT BEND COUNTY TEXAS

STATE OF TEXAS
COUNTY OF FORT BEND
I, Diarne Wilson, County Clerk of Fort Bend County, Texas,
do hereby certify that the foregoing is a true and correct copy
as the same appears on file and recorded in the appropriate records.
Note: A portion of a personal identifying number may have been
redacted as allowed by law.

OCT 2 6 2010
Date

Dringe Milson Dianne Wilson, County Clerk Fort Bend County, Texas