

CONDOMINIUM DECLARATION

FOR

DEMOSS VILLAGE (No. 1)

THE STATE OF TEXAS
COUNTY OF HARRIS

KNOW ALL MEN BY THESE PRESENTS:

THIS DECLARATION, made this the 11th day of March, 1965, by EDNA KELLEY BUILDING COMPANY, a Texas Corporation, herein-after called "Developer", pursuant to and in accordance with the provisions of the Condominium Act of the State of Texas, for the purpose of establishing a condominium regime in respect to the hereinafter described property and improvements thereon, WITNESSETH:

WHEREAS, in pursuance of a plan for the development of a condominium project to be known and designated as DEMOSS VILLAGE (No. 1), Developer being the owner in fee simple of the tract of land hereinafter described and referred to as "the project land", has improved and developed said project land by constructing three (3) two-story buildings thereon, each hereinafter more particularly described, together with certain other improvements, structures, facilities and appurtenances thereto as more particularly described in this Declaration or the survey plats attached as exhibits hereto; and,

WHEREAS, the Developer intends by this Declaration to submit said project land and all improvements thereon to the provisions of and the condominium regime established by the Condominium Act of the State of Texas, so as to thereby establish a condominium regime under said Act in respect to the project as hereinafter defined and described;

NOW THEREFORE, the Developer hereby makes the following Declarations as to the definitions, divisions, descriptions, restrictions, covenants, limitations, conditions, rights, privileges, obligations and liabilities which shall apply to, govern, control, and regulate the sale, re-sale or other disposition, encumbrance, acquisition, ownership, use, occupancy and enjoyment of the project property and all parts thereof and the separate freehold estates hereby established, hereby specifying and agreeing that the provisions and contents of this Declaration shall be and constitute covenants to run with the land and shall be binding on Developer, its successors and assigns and grantees and all subsequent owners of all or any part of said project property and their Grantees, successors, heirs, devisees, executors, administrators or assigns, to wit:

1. DEFINITIONS. - As herein used, unless the context otherwise requires:

- (a) "ACT" means the Condominium Act of the State of Texas.
- (b) "Declaration" means this instrument and all exhibits attached hereto by which the project property is submitted to the provisions of the Act, and such Declaration as from time to time lawfully amended.
- (c) "Project Land" means the land itself, excluding the improvements thereon, described in paragraph 3., below.
- (d) "Project Property" means all the project land and all improvements, buildings, structures, facilities, fixtures and equipment constructed, placed or erected therein or thereon, and all easements, rights, hereditaments and appurtenances thereto in any-wise belonging or appertaining, submitted to the provisions of the Act.

(o) "Apartment Buildings" mean the three (3) two-story, multi-unit buildings located on the project land and together containing the nineteen (19) condominium apartments to be individually and separately owned, depicted as Building "A", "B" and "C" on the survey plat attached as Exhibit "A" hereto.

(f) "Apartment" means one of the nineteen (19) separate and individual apartments into which the three apartment buildings are divided for individual and separate use and ownership as provided for in the Act and as described in this Declaration and depicted on the respective floor plats of each apartment building which are attached as exhibits hereto, and includes the space encompassed by its boundaries and certain construction and elements therein or thereon which are to be individually and separately owned as hereinafter defined, described and established in this Declaration.

(g) "Garage" or "Parking Space" means one of the separate and individual garages or parking spaces in carports which are to be individually and separately owned as hereinafter more particularly described and defined in this Declaration.

(h) "Common Elements" means the general common elements consisting of all portions of the project property, except the individual apartments, garages and parking spaces which are to be individually and separately owned.

(i) "Apartment Unit" or "Unit" means an estate of property comprised of an apartment together with the garage or parking space and the undivided percentage ownership interest in the common elements conveyed with or allocated to such apartment.

(j) "Owner of an Apartment Unit", "Unit Owner" and similar expressions means the person or persons whose estates or interest individually, jointly or collectively, aggregate fee simple absolute ownership of an apartment unit.

(k) "Person" means a natural individual, corporation, partnership, trust or other legal entity capable of holding title to real estate.

(l) "Majority of Unit Owners" means the owner or owners of apartment units whose aggregate undivided percentage of ownership interest in the common elements is fifty-one per cent. (51%) or more.

2. SUBMISSION OF PROJECT PROPERTY TO THE ACT. - The Developer as owner in fee simple of the project property, in order to establish a plan of condominium ownership in respect thereto hereby submits the project property to the condominium regime established by the Condominium Act of the State of Texas and the provisions thereof. The Developer expressly intends and declares through the recitation of this Declaration its desire to submit the project property to the condominium regime established by said Act.

3. PROJECT LAND. - The project land, submitted to the provisions of the Act is depicted on Exhibit "A" attached hereto and is legally described as follows:

1.375 acres of land, more or less, out of Block 19, Sharpstown Industrial Park, Section 7, according to the map or plat thereof recorded in Volume 68, page 26 of the Map Records of Harris County, Texas, and being more particularly described by metes and bounds as follows, to wit:

BEGINNING for reference point at the point of intersection of a straight projection of the South line of Demoss Drive and a straight projection of the East line of Tarnoff Street (both said Drive and Street being 60' wide);

THENCE East, along the projection of the South line of Demoss Drive, a distance of 33.54 feet to a 3/4" iron pipe in the South line of Demoss Drive, being the PLACE OF BEGINNING of the tract herein described;

THENCE from said PLACE OF BEGINNING, East along the South line of Demoss Drive, a distance of 160.76 feet to point for corner;

THENCE South, 275.0 feet to point for corner in the center line of a 10' wide utility easement;

THENCE West, along the center line of said utility easement, 242.96 feet to the East line of Tarnoff Street;

THENCE North 10 deg. 02 min. 07 sec. East, along the east line of Tarnoff Street, a distance of 245.70 feet to a 3/4 inch iron pipe for a point of curve;

THENCE along a curve to the right having a radius of 40.84 feet, a central angle of 79 deg. 57 min. 53 sec., a distance of 55.83 feet TO THE PLACE OF BEGINNING.

4. APARTMENT BUILDINGS. - The apartment buildings located on the project land and constituting a part of the project property submitted to the provisions of the Act are each generally described as a brick veneer building, wood frame, and are depicted as Building "A", Building "B" and Building "C" on Exhibit "A" attached hereto, and they are further described and defined as follows:

Building "A" - This building is divided into eight (8) apartments. It is a two-story building, and each apartment occupies space on each floor. There are two garages and six carport spaces attached to this building. Each garage and carport space is for two cars.

Building "B" - This building is divided into six (6) apartments. It is a two-story building, and each apartment occupies space on each floor. There are two garages and four carport spaces attached to this building. Each garage and carport space is for two cars.

Building "C" - This building is divided into five (5) apartments. It is a two-story building, and each apartment occupies space on each floor. There are two garages and three carport spaces attached to this building. Each garage and carport space is for two cars.

5. APARTMENTS. - Each of the nineteen (19) condominium apartments hereby established and contained in the aggregate in the three apartment buildings of this project, have a direct exit to a thoroughfare or to a given common space leading to a thoroughfare. The apartments in each apartment building are described as follows:

Building "A" - This building is divided into eight (8) townhouse type apartments. Each apartment is a two-story apartment and as such occupies space on the first and second floor of the apartment building. The identifying number of each apartment corresponds to its street address number, so that they are numbered as follows: Apartment 6715, Apartment 6717, Apartment 6719, Apartment 6721, Apartment 6723, Apartment 6725, Apartment 6727, and Apartment 6729. The location, size, square footage, dimensions and other descriptive data of each of the apartments in this building are shown and depicted on Exhibit "B" attached hereto which is a survey plat of the first and second floors of this apartment building, and such plat also shows the identifying number of each apartment, and all such information and descriptive data is incorporated herein by reference to such plat.

Building "B" - This building is divided into six (6)

townhouse type apartments. Each apartment is a two-story apartment and as such occupies space on the first and second floors of this apartment building. The identifying number of each apartment corresponds to its street address number, so that they are numbered as follows: Apartment 6679, Apartment 6681, Apartment 6683, Apartment 6685, Apartment 6687 and Apartment 6689. The identifying number, location, size, square footage, dimensions and other descriptive data of each apartment is shown and depicted on Exhibit "C" attached hereto which is a survey plot of the first and second floors of this apartment building, and all such information and descriptive data is incorporated herein by reference to such plat.

Building "C". This building is divided into five (5) townhouse type apartments. Each apartment is a two-story apartment and as such occupies space on the first and second floors of the apartment building. The identifying number of each apartment corresponds to its street address number so that they are numbered as follows: Apartment 6691, Apartment 6693, Apartment 6695, Apartment 6697 and Apartment 6699. The identifying number, location, size, square footage, dimensions and other descriptive data of each apartment in this building are shown and depicted on Exhibit "D" attached hereto which is a survey plat of the first and second floors of this apartment building, and all such information and descriptive data is incorporated herein by reference to such plat.

The boundaries of each apartment in each apartment building as shown on their respective survey plats attached as exhibits hereto, are and shall be the interior finished surfaces of the perimeter walls, floors and ceilings, and the exterior finished surfaces of the terraces (or patios) immediately adjoining and belonging to each apartment. The individual description and ownership of each apartment shall further include the space encompassed by the boundaries of each apartment and certain interior construction, fixtures, equipment and appliances which are designed and intended solely for the benefit of and to exclusively serve the particular apartment in or to which the same are located or attached, and which are not designed or intended for the benefit, support, service, use or enjoyment of any other apartment, such as, for examples, the interior room walls and other non-bearing and non-supporting interior partitions, the interior floor finish (including carpeting and other floor covering), the finished walls and wall covering, the finished ceilings, the closets, cabinets, shelves, the individual lighting and electrical fixtures and appliances, the individual kitchen and bathroom fixtures and equipment, the plumbing, such as cooking ranges, refrigerators, dishwashers, garbage disposals, ovens, sinks, water closets, lavatories, medicine cabinets, and other similar fixtures or equipment, the individual air conditioning and heating units and systems, and all interior and exterior doors of the apartment.

6. GARAGES AND CARPORTS. - Each Apartment in each apartment building has a garage or a carport parking space attached to it. Apartments 6729 and 6715 in Building "A", Apartments 6679 and 6689 in Building "B", and Apartments 6691 and 6699 in Building "C" each have an attached enclosed garage for two cars; the remaining Apartments in each Apartment Building each have an attached Carport Space for two cars. Each Garage or carport space is identified by a number and reference to the Apartment Building to which it is attached, as follows: Garage or Carport Space Nos. 1, 2, 3, 4, 5, 6, 7 and 8 attached to Building "A"; Garage or Carport Space Nos. 1, 2, 3, 4, 5, and 6 attached to Building "B"; and Garage or Carport Space Nos. 1, 2, 3, 4, 5, and 6 attached to Building "C". Each Garage or Carport Space is part of and belongs to the Apartment which it adjoins. The Garages or Carport Spaces attached to each Apartment Building are assigned to the Apartments in numerical order so that Garage or Carport Spaces with the lowest identifying number belong and are assigned to the Apartments in the building having the lowest identifying number. The identifying number, location, size, dimensions, square footage and other descriptive data of each Garage or Carport Space attached to each Apartment Building is shown and depicted on the survey plats showing the first floor of each Apartment Building, which plats are attached as exhibits hereto.

7. UTILITY EASEMENTS. - Valid easements shall exist in each apartment and in each portion of the common elements for the benefit of each unit owner, the municipality and each utility company for the installation, maintenance, repair, removal or replacement of any and all utility lines, pipes, wires, conduits, facilities and equipment serving the apartment buildings as a whole or any individual apartment or any part of the common elements, and the ownership of each apartment and interest in the common elements shall be subject to such easements.

8. COMMON ELEMENTS. - The general common elements, also simply referred to as the "common elements", shall consist of all the "project land" as herein defined and described, except the individual apartments and individual garages and carport spaces which are to be individually and separately owned, and such common elements shall include all the "project land" as hereinabove defined and described, communication ways, the compartments for installation of central services, the foundations, bearing walls and columns, exterior walls, roofs, all portions of each building (other than the finished interior surfaces thereof located within the apartments and garages and carport spaces which are to be individually and separately owned), structural and supporting parts of all buildings, outside walks and driveways, and all structures, fixtures, equipment and appliances which are designed and intended for the common and mutual use and benefit of the apartments and the space occupied by same. Reference is hereby further made to the Act for further definition of the "General Common Elements". References to the "common elements" in this declaration shall include the "general common elements" as herein and in said Act defined.

9. OWNERSHIP OF THE COMMON ELEMENTS. - Each owner of an Apartment shall own and be entitled to the undivided percentage of ownership interest in the Common Elements as hereinbelow assigned and allocated to each Apartment. Each such undivided interest shall remain fixed and constant and cannot be changed except by the written consent of each and every owner and mortgagee of an apartment unit in this Condominium Project, duly executed, acknowledged and filed for record. Said undivided percentage interest in the common elements below allocated and assigned to each apartment shall be and remain an undivided interest and each owner shall own his interest as a tenant in common with the other unit owners. The interests in the common elements shall remain undivided and shall not be the object of an action for partition or division of the co-ownership so long as suitable for a condominium regime, and in any event, all mortgages must be paid prior to the bringing of an action for partition, or the consent of all mortgagees to such action for partition, or the consent to the contrary shall be void. The percentage of ownership interest herein assigned and allocated to each apartment shall not be separated from its apartment and may not be sold, conveyed, encumbered or otherwise disposed of separately from the apartment to which such interest is assigned and allocated, and each such interest in the common elements shall follow the respective apartment to which it is allocated and assigned, and shall be deemed to be conveyed or encumbered with its respective apartment to which it is allocated or assigned, even though the description in the instrument of conveyance or encumbrance shall refer only to the apartment. The undivided percentage ownership interest assigned and allocated to each Apartment is set out below opposite the identifying number of each apartment, to-wit:

BUILDING "A"	
Apartment No.	Undivided Percentage Interest
6715	6.06%
6717	4.79%
6719	4.70%

BUILDING "A" (continued)

Apartment No.

Undivided
Percentage Interest

6721
6723
6725
6727
6729

4.79%
4.70%
4.79%
4.70%
6.06%

BUILDING "B"

6679
6681
6683
6685
6687
6689

6.06%
4.79%
4.70%
4.79%
4.70%
6.06%

BUILDING "C"

6691
6693
6695
6697
6699

6.31%
5.23%
5.23%
5.23%
6.31%

TOTAL (All Apartments, all Buildings) 100.00%

10. USE OF THE COMMON ELEMENTS. - Each Unit Owner shall have the right to use and enjoy the common elements, in common with all other unit owners, for the purposes for which they are intended and as may be required for the purposes of access and ingress and egress to and the use and occupancy and enjoyment of the respective apartments owned by such unit owners, without hindering or encroaching upon the lawful rights of other co-owners. Such right to use and enjoy the common elements shall extend to each unit owner, the members of his family, the tenants or other lawful occupants of each apartment, and their guests, visitors, invitees or permittees, and all such other persons as may be invited or permitted by the Board of Administration of this condominium regime or its representative to use or enjoy the common elements or any part thereof. Such right to use the common elements shall be subject to and governed by the provisions of the "Act", this Declaration, the By-laws attached hereto, and the rules and regulations hereafter lawfully made or adopted by the Board of Administration or the Council of Co-owners of this condominium regime. Each unit owner shall be deemed to have an easement in the interest of all other unit owners in the common elements for the installation, maintenance, repair or replacement of all individually owned fixtures, equipment and appliances which are in any way affixed to, supported by or located in any space or structure constituting part of the common elements. Provided, however, that each Unit Owner shall have the exclusive use for storage purposes of the attic space directly above his apartment unit, to the extent that such use shall be practical. The cost and expense for the maintenance, repair, upkeep, operation and replacement of the common elements shall be a common expense of all unit owners in the ratio of their respective undivided interests in the common elements.

11. WINDOWS. - Notwithstanding anything in this Declaration which may appear to be to the contrary, the glass in all windows of each apartment shall be deemed to be part of the finished interior surface and shall be repaired or replaced at the separate cost and expense of each individual unit owner, and shall not be a common expense.

12. COUNCIL OF CO-OWNERS. - Each owner of an apartment unit shall

automatically be a member of the "Council of Co-owners" (hereinafter referred to as the "Council") which shall be the governing and administrative body for all unit owners for the protection, preservation, upkeep, maintenance, repair, operation and replacement of the common elements, and the government, operation and administration of the project property and the condominium regime hereby established, and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership in the Council shall also automatically cease. Upon any transfer of ownership of any apartment unit, the new owner acquiring or succeeding to such ownership interest shall likewise automatically succeed to such membership in the Council.

13. REPRESENTATION FOR VOTING. - The aggregate number of votes for all members of the Council shall be one hundred (100), which shall be proportionately divided among the unit owners in accordance and in direct proportion to their respective percentage of ownership interest in the common elements as allocated and assigned in paragraph 9., above. If any person, including Developer, shall own more than one (1) apartment unit, then his representation for voting purposes shall be determined by his aggregate ownership interest in the common elements so that he may exercise the voting rights allocated to each apartment unit owned by him. In the event an apartment unit is jointly owned by two or more persons, then the person or persons owning more than a 50% interest in such unit shall exercise the full voting rights of such apartment unit. The Developer through any of its officers, directors or representative may exercise all the votes allocated to the unsold apartment units while owned by Developer.

14. BOARD OF ADMINISTRATION. - The affairs of the Council shall be managed by a Board of Administration. At or as soon as convenient after the organizational meetings of the Council, the Council shall elect the first Board of Administration which shall consist of not less than five (5) members, all of whom shall serve without pay or compensation for such term as specified in the By-laws of this condominium regime. Such Board of Administration (hereinafter referred to as the "Board") shall have such powers, duties, functions, authority and responsibility as shall be specified in this Declaration or in said By-laws or as may be delegated to it from time to time by the Council.

15. BY-LAWS. - The government and administration of the condominium regime hereby established shall be in accordance with the By-laws which have been initially adopted by Developer as sole owner of the project property, and which are appended hereto and identified as such. These By-laws may be amended from time to time by the Council in accordance with the provisions thereof.

16. ADMINISTRATION BY DEVELOPER. - Until such time as Developer has sold and conveyed fifteen (15) apartment units or the expiration of eighteen (18) months from the date this Declaration is filed for record, whichever occurs first, the Developer shall be and act as the sole Administrator for the government and administration of this condominium regime, and during such period it shall exclusively represent, act as and constitute the Council of Co-owners and the Board of Administration, and shall exclusively have, exercise and perform all of the rights, powers, authority, functions and duties herein or in said Act or By-laws given to the Council or the Board. During such period of time the Developer as such administrator shall be known as the "Temporary Administrator".

17. TEMPORARY MANAGING AGENT. - During the period of administration of this condominium regime by Developer as Temporary Administrator, as above provided, the Developer may employ or designate a Temporary Manager or Managing Agent who shall have and possess all of the rights, powers, authority, functions and duties as may be specified in the contract of employment or as may be delegated to him by Developer. The Developer may pay such Temporary Manager or Managing Agent such compensation as it may deem reasonable for the services to be rendered, which compensation shall constitute a part of the common expenses of this condominium regime and shall be paid out of the "Maintenance Fund" herein-after provided for.

18. COMMON EXPENSES - ASSESSMENTS. - The owner of each apartment unit shall be bound and obligated and agrees to pay, as assessments therefor are made during his tenure of ownership; his prorata part and share of the expenses of administration and of maintenance, repair, upkeep, protection, replacement and operation of the Common Elements and of any other expenses lawfully agreed to by the Council of Co-owners or the Board of Administration as authorized by the Act, this Declaration or the By-laws appended hereto, all of which expenses herein mentioned are in this Declaration referred to as the "common expenses". The prorata part and share of the common expenses which shall be assessed against each unit owner, and which each unit owner agrees to pay, shall be in the same ratio and in proportion to his percentage of ownership interest in the common elements as set out in paragraph 9., above. Assessments for common expenses and payments thereof shall be made as determined and provided for in the By-laws appended hereto, and as from time to time amended. No owner of any apartment unit or interest therein shall be exempt from paying or contributing his prorata part and share of the common expenses by waiver of the use or enjoyment of the common elements or any part thereof or by abandonment of the Apartment Unit or his interest therein. The amount of common expenses assessed against each Apartment Unit shall be the debt and obligation of the owner at the time the assessment is made. No unit owner shall be liable for the payment of any assessment made after his ownership ceases. Assessments for common expenses shall be on a monthly basis and shall become due and payable monthly. No assessments for common expenses shall be made in advance for any period in excess of one (1) month. All sums collected for common expenses shall constitute and be known as the "Maintenance Fund" of this condominium regime.

19. LIENS TO SECURE ASSESSMENTS. - The assessments for common expenses shall be made against the owner of each apartment unit then owning the same and also against the apartment unit itself; and in the event any unit owner shall fail or refuse to pay his prorata share and part of the common expenses as the same shall become due and payable, then all such assessments which have become due and payable and which have not been paid shall constitute and be secured by a valid lien on such apartment unit for the benefit of all other unit owners. No lien shall exist against any apartment unit for assessments which have not yet become due and payable. Such liens shall be prior to all other liens, except that such assessment liens shall be subordinate, secondary and inferior to (1) all liens for taxes or special assessments levied by the city, county and State governments or any political subdivision or special district thereof, (2) all liens securing amounts due or to become due under any mortgage, vendor's lien or deed of trust filed for record prior to the date payment for such assessment for common expenses became due and payable, and (3) all liens securing any loan made to a purchaser for any part of the purchase price of any apartment unit when such apartment unit is purchased from the Developer.

Such lien for common expenses herein provided for may be foreclosed, without prejudice and subject to the aforesaid prior and superior liens, by suit by the Board of Administration or any authorized officer or member thereof, acting in behalf of all unit owners in like manner as mortgages on real property. No foreclosure suit or sale thereunder shall affect or impair any of the prior liens above mentioned. The Board of Administration or any person authorized by it, acting in behalf of all unit owners, shall have power to bid in the apartment unit foreclosed on at the foreclosure sale, and to acquire, hold, lease, mortgage or convey the same in behalf of all unit owners. All funds realized from any foreclosure sale shall be applied first to the cost and expense of filing and prosecuting suit, including all costs of court and a reasonable amount for attorneys' fees, and then towards payment of the indebtedness sued on, and the remainder, if any, shall be paid over to the defendant or defendants in the suit as their interest may appear. In the event the proceeds realized from the foreclosure sale, applied as aforesaid, shall be insufficient to pay off and discharge the whole amount of the assessments sued on, then the purchaser acquiring title to such apartment unit at such foreclosure sale, whoever he may be, other than the

unit owner sued, shall not be liable for the deficiency, but such deficiency shall be deemed a common expense, collectively from all unit owners, including the purchaser at the foreclosure sale, on a pro-rata basis as in the case of other common expenses. The defaulting unit owner sued shall remain personally liable to the unit owners paying such deficiency.

20. STATEMENT OF ASSESSMENTS. - The Board of Administration or its representative shall furnish to any prospective purchaser or mortgagee of any apartment unit, at the request of the Owner, a written statement as to the amount of the assessments for common expenses which have become due and are unpaid up to a given date in respect to the apartment unit to be sold or mortgaged; and in the case of a sale the purchaser shall not be liable nor shall the apartment unit purchased be liable or subject to any lien for any unpaid assessment which has become due and is not shown on such statement for the period of time covered thereby, however, the selling owner shall remain liable for same and in case of his failure or refusal to pay then the same shall be collectible from all other unit owners on a pro-rata basis in proportion to their ownership interest in the common elements, and they shall have recourse against the selling owner; but in the event of a mortgage then the unpaid assessments next shown on said statement for the period of time covered thereby shall remain the obligation of the unit owner mortgaging his apartment unit, but the assessment liens securing same as provided for in this Declaration shall be and remain inferior and secondary to the mortgage and liens held by the mortgagee to whom or for whose information said statement was furnished.

21. UTILITIES. - All utilities, such as water and electricity for lights or power are on separate meters for each apartment and shall be separately paid by the owner of each apartment unit, and each unit owner shall also pay for his telephone service. All deposits required for any such services shall be separately paid by each unit owner.

22. PROPERTY INSURANCE. - The Board of administration shall have the authority to obtain and continue in effect blanket property insurance to insure the buildings, structures and apartment units in or on the project property and the owners thereof, against risks of loss or damage by fire and other hazards as are covered under standard extended coverage provisions, and against risks of whatever character, without prejudice to the right of each unit owner to insure his apartment unit on his own account for his own benefit. Such insurance obtained by the Board may be written in the name of and the proceeds thereof may be payable to the Board or any person designated by it or by the Council, as Trustee for each unit owner in their respective percentage of ownership interest in the common elements. Each unit owner and his mortgagee, if any, shall be a beneficiary of such insurance, in the ratio of his percentage of ownership interest in the common elements as aforesaid, even though not expressly named in the policy as an insured or beneficiary. All costs, charges and premiums for such insurance shall be a common expense and each unit owner shall pay his pro-rata part and share of same as in the case of other common expenses of this condominium regime. In case of any injury, damage to or destruction of any part of the project property covered by such insurance, the insurance indemnity and proceeds shall be applied to reconstruct or repair the building or property so damaged or destroyed, except as may be otherwise provided for by the Act, as now existing or hereafter amended. The Board of Administration shall have complete power and authority to compromise, settle and adjust any and all claims arising under any such policy or policies of insurance.

23. PUBLIC LIABILITY AND OTHER INSURANCE. - The Board of Administration or its representative shall also have the authority to obtain comprehensive public liability insurance, in such limits

as it shall deem desirable, and workmen's compensation insurance and any other liability insurance as it may deem desirable, insuring each unit owner and the Council of co-owners, Board of Administration and managing agent (temporary or permanent) from and against liability in connection with the common elements, to the extent such insurance may be obtained, and all costs, charges and premiums for all such insurance shall be deemed as a common expense of this condominium regime, and each unit owner shall pay his prorata share of same as in the case of other common expenses as provided for in this Declaration.

24. INDIVIDUAL INSURANCE. - Each unit owner shall be responsible at his own personal cost and expense, for his own personal insurance on the contents of his own apartment or parking space, and his additions and improvements thereto, and his decorations and furnishings and personal property therein and his personal property stored elsewhere on the project property, as well as his personal liability insurance to the extent not covered by the liability insurance for all of the unit owners which may be obtained as a common expense.

25. EASEMENTS FOR ENCROACHMENTS. - If any portion of the common elements shall be situated or encroach upon any apartment or garage or carport space, or if any apartment, garage or carport space shall actually encroach upon any portion of the common elements, as the apartments, garages, carports and common elements actually and physically exist, or as shown by the survey plats attached hereto, then there shall be deemed to be mutual valid easements for such encroachments and for the maintenance of same so long as such encroachments exist. In the event any apartment building or other structure is totally or partially damaged or destroyed and then repaired, restored or rebuilt, the unit owners agree that all encroachments of or upon the common elements and facilities due to repair or reconstruction shall be permitted and that a valid easement for such encroachments and maintenance thereof shall exist.

26. ALTERATIONS, ADDITIONS AND IMPROVEMENTS. - No alterations of any portion of the common elements or additions or improvements thereon shall be made by any unit owner without the prior written approval of the Board of Administration or Council of Co-owners. No unit owner shall make any structural modification or substantial alteration of his apartment or the installations located therein, except in a manner authorized by the Board or Council in writing.

27. MAINTENANCE, REPAIRS AND REPLACEMENTS. - Each unit owner shall furnish and be responsible for, at his own expense, all of the maintenance, repairs and replacements within his own apartment, except as to the common elements located therein. Specifically, but without limitation, each unit owner shall repair or replace his own cooking range, oven, refrigerator, sink, kitchen appliances, lighting equipment and fixtures, all interior bath room fixtures and appliances and plumbing, and all other elements and contents of the apartment which are individually and privately owned and do not constitute any part of the common elements. All portions of the common elements shall be repaired or replaced by the Board or its representative as a common expense of all unit owners. All workmen and other persons authorized by the Board of Administration or the Council of co-owners or their representatives shall be entitled to reasonable access at reasonable times to the individual apartments as may be required from time to time in connection with the maintenance, repair or replacement of or to the common elements or any equipment, facilities or fixtures affecting or serving other apartments or the common elements. In the event and to the extent that equipment, facilities and fixtures within one apartment shall be connected to similar equipment, facilities and fixtures serving another apartment or the common elements, then reciprocal easements for the maintenance of same shall exist.

28. DECORATING. - Each unit owner shall furnish and be responsible for at his own cost and expense, all of the decorating within his own unit, including painting or wallpapering, washing, cleaning, paneling, floor covering, draperies, wall covering, window shades, curtains, lamps and other furnishings and interior decorations. Each unit owner shall also wash and keep clean at his own expense the interior and exterior surfaces of all window panes.

29. USE AND ACCESS BY DEVELOPER. - Until Developer has completed all construction work and has sold and conveyed all apartments, the Developer and its workmen, agents, servants or employees shall have free and unobstructed use of and access to all of the project property as may be required for the completion of construction and to facilitate sale of the unsold apartments.

30. TAXES. - Taxes, assessments and other charges of the City, county, state or other political entities or any special district thereof, shall be separately assessed, and each unit owner shall pay as his own personal expense all tax assessments against his apartment unit. Taxes are not part of the common expenses.

31. LEGAL DESCRIPTION OF UNITS. - The legal description of any apartment unit may consist of the identifying number of the apartment and the building in which it is located. All such descriptions or references to any apartment shall be deemed to also include and refer to the garage or carport space and the undivided percentage of ownership interest in the common elements belonging to such apartment, whether expressly mentioned or not.

31. INSPECTION - WAIVER. - Each purchaser of an apartment unit has full opportunity and shall be under a duty to inspect and examine the apartment to be purchased by him prior to his purchase thereof, and agrees that the apartment is purchased as actually and physically existing. It is expressly agreed, and each and every purchaser of an apartment unit agrees for himself, his heirs, executors, administrators and assigns, that the square footage, size and dimensions of each apartment and each area constituting any part of the common elements as set out and shown in this Declaration or the survey plats attached hereto, are approximate only and are shown for descriptive purposes only, and that the Developer does not warrant or guarantee, or represent, that any apartment or any area constituting any part of the common elements actually contains the area, square footage or dimensions shown by the plat thereof; and each purchaser of an apartment unit, for himself, his heirs, executors, administrators and assigns expressly waives any claim or demand, of any kind or nature, which he could possibly have against Developer or any other person whomsoever, on account of any difference or shortage or discrepancy between the size, square footage or dimensions actually and physically existing and the size, square footage and dimensions shown on the survey plats attached hereto. It is specifically agreed that in interpreting deeds, mortgages, deeds of trust and other instruments for any purpose whatsoever, or in connection with any matter, the existing physical boundaries of any apartment, or of any apartment reconstructed in substantial accordance with the original plans thereof, shall be conclusively presumed to be the boundaries regardless of settling, rising or lateral movement of the building, and regardless of variances between boundaries as shown on the plat and the actual boundaries of the building.

32. RESTRICTIONS. - The following restrictions, covenants and conditions are placed upon each apartment in this condominium project as a general plan or scheme of restrictions for the benefit of each apartment unit, to wit:

(1) Each apartment shall be used and occupied for residential purposes only.

(2) No apartment shall be altered, remodeled or subdivided or converted into more than one dwelling unit.

(3) No trash, garbage or debris shall be placed on any part of the common elements, except in the receptacles or areas designated for disposal of same.

(4) No signs or posters of any kind shall be placed on any part of the common elements, except as may be authorized by the Board or Council.

(5) No unlawful, immoral, noxious or offensive activities shall be carried on or permitted in any apartment or elsewhere on the project property; nor shall anything be done therein or thereon which shall constitute a nuisance or cause unreasonable noise or disturbance to others.

Provided, however, that for so long as Developer owns any of the apartments which are for sale, the Developer or its agents may use any apartment which it owns as a "Model Apartment" for display to the public and/or as a sales office, and may place and maintain such signs on any part of the common elements as it may desire to advertise the project or the sale of the apartments.

33. SALE, LEASE OR RENTAL - RIGHT OF FIRST REFUSAL. - If the owner of any apartment unit, other than the Developer or any of its shareholders, shall desire at any time to sell, lease or rent his apartment unit to any person, except as hereinbelow stated, and receives an offer for the purchase, lease or rental which he would be willing to accept, such owner shall not sell, lease or rent his apartment unit without first giving the Board of Administration or its representative written notice of the proposed sale, lease or rental, which notice shall be sent by U.S. Certified or Registered Mail, return receipt requested, and shall state the name, address, occupation and place of employment of the proposed purchaser, lessee or tenant, and the price, terms and conditions of the proposed sale, lease or rental; and during a period of thirty (30) days next following the receipt of such notice by the Board or its representative, the Council of co-owners shall have the right of first refusal to purchase, lease or rent the apartment unit for the same price and upon the same terms and conditions as set out in such notice. If said unit owner is not notified within said thirty (30) days period that the Council of Co-owners has elected to exercise its right of first refusal, or if within such thirty (30) days period the unit owner is notified that said Council has elected not to exercise its right of first refusal, then the unit owner may proceed to sell, lease or rent his apartment unit to the person and on the terms and conditions named and set out in said notice.

The Board of Administration shall have the authority on behalf and in the name of the Council to elect not to exercise such right of first refusal and to give notice thereof. The Board shall also have the authority in behalf of the Council to waive in advance all of the above and foregoing provisions as to notice and right of first refusal in respect to the sale, lease or rental of any apartment unit, but no such waiver shall be valid except that it be in writing and duly executed and acknowledged by a member of the Board or its authorized representative. Whenever any such waiver is given, the unit owner of such apartment unit may sell, lease or rent the same to any person without complying with the provisions above set out and without giving any notice.

Unless the Board has elected not to purchase, lease or rent such apartment unit, within ten (10) days from the date of receipt of any such notice above provided for, it shall call a special meeting of the Council for the purpose of voting upon its right of first refusal, which meeting shall be held within twenty-five (25) days from date of receipt of such notice by the Board or its representative, and if the unit owners who in the aggregate can not less than 55% of the total ownership interest in the common elements, by affirmative vote at such meeting elect to exercise such right of first refusal, then the Board or such other person as the Council

may authorize shall promptly give written notice of such election to the unit owner desiring to sell, lease or rent his unit. In such event the Board shall have all authority to execute all instruments and do everything necessary to close the transaction in the name of the Board as Trustee for all unit owners, and to make such assessments for payment of the purchase, lease or rental price as may be required, and each unit owner shall be obligated to pay his prorata part of such assessment in proportion to his percentage of ownership interest in the common elements, as in the case of other common expenses. The Board shall have the authority at all times thereafter, as Trustee for all unit owners, to sell, sublease or rent such apartment unit for such price and on such terms and conditions as it may deem proper or as shall be directed by the Council, and all net proceeds or deficit therefrom shall be applied among all unit owners in proportion to their respective ownership interest in the common elements.

Provided and except, however, that none of the foregoing provisions shall apply to any sale, lease or rental made by or to the Developer or any of its shareholders, or to any sale, lease or rental made by any unit owner to his or her spouse or to any person related by blood or marriage to such unit owner or to his or her spouse.

34. AMENDMENTS. - Except as below provided under this heading and in paragraph 41, below, the provisions of this Declaration shall not be changed or amended without the written consent of each and every unit owner who in the aggregate represent 100% ownership of the common elements, and each such amendment shall be filed for record in the same manner as this Declaration. No amendment shall affect or impair the rights of any mortgagee unless such mortgagee in writing consents to the same.

Provided, however, that the Developer as owner of any apartment reserves and shall at all times have the right to amend this Declaration without consent or approval of any other person, other than the mortgagee of any such unit, for the purpose of correcting any error in this Declaration or to make it comply with the mandatory provisions of the Act, if it be deficient in any such respect, or for the purpose of redefining, redesccribing, rearranging or replatting the boundaries or dimensions of any two or more apartments owned by it, or any part of such apartments, in order to make more or fewer apartments out of the same or to increase or decrease or change the size, square footage, shape or dimensions of any such apartments owned by it, or any part thereof, or for the purpose of reallocating or reapportioning the percentage of ownership interest in the common elements as between two or more apartments owned by it, provided, however, that the aggregate interest in the common elements allocated in the aggregate to such apartments affected by any such redefinition, redescription, rearrangement, replatting or reapportionment, shall be the same as the aggregate interest in the common elements allocated to such apartments so affected in this Declaration; and, provided, further, that the size, square footage, shape, dimensions or percentage of ownership interest in the common elements of any apartment which Developer has sold shall be changed, altered, amended or modified by any such amendment made by Developer.

35. REMEDIES. - In the event any default is made by any unit owner under the Act, this Declaration or the By-laws appended hereto, or rules or regulations of the Board or of the Council, the Board or the Council, or their representative, shall have all of the rights and remedies which may be provided by the Act, this Declaration or the By-laws, or which may be available at law or in equity, and may prosecute any action or other proceeding against any defaulting unit owner and/or others for enforcement of any lien or to enforce compliance with the matter in respect to which default has been made, by injunction, relief or otherwise, or for the collection of any sum or debt, or damages in default or arising from any default. All expenses incurred in connection with any such action or proceeding shall be out of the common expenses of the association, together with the cost of any legal expenses.

from each unit owner as in the case of other common expenses. The Board of Administration or its authorized representative shall be further empowered and authorized to correct and cure any matter in default and to do whatever may be necessary for such purpose, and all expenses incurred in connection therewith shall be charged and assessed against such defaulting unit owner and shall be secured in the same manner as assessments for common expenses.

36. RIGHTS AND OBLIGATIONS. - The rights and obligations of the respective unit owners under this Declaration and the By-laws, as may be amended, shall be deemed to be covenants running with the land, so long as the project property remains subject to the provisions of the Act, and shall enure to the benefit of and be binding on each and all of the respective unit owners and their respective heirs, executors, administrators, successors, legal representatives, assigns, purchasers, lessees, grantees and mortgagees, and all others having or claiming an interest in any apartment unit, subject to the provisions of the Act, this Declaration and the By-laws. Upon acceptance or recordation of any deed to an apartment unit, the owner thereof shall be deemed to have accepted and agreed to and shall be bound and subject to each and all of the provisions of the Act and this Declaration and By-laws, as now existing or hereafter amended.

37. NOTICES. - Notices provided for in the Act or this Declaration or By-laws shall be in writing and shall be addressed to the Board or the Council at the address of the Board or its representative which may be established from time to time, and of which the unit owners shall be notified. Notices to the unit owners may be sent to the mailing address of their respective apartments, or to such other address which any unit owner may in writing designate by notice thereof to the Board or its representative.

38. SEVERABILITY - INTERPRETATION. - If any provision of this Declaration or the By-laws or any section, sentence, paragraph, clause, phrase or word, or the application thereof in any circumstance shall be invalid or unenforceable, the validity or enforceability of the remainder of this Declaration or By laws and the application of any such provision, section, sentence, paragraph, clause, phrase or word in any other circumstance shall not be affected thereby. If anything in this Declaration or the By-laws shall be susceptible to two or more interpretations, then the interpretation which shall most nearly be in accord with the intent of the Act and the general purposes and intent of this Declaration and the By-laws shall govern.

39. OMISSIONS. - In the event of the omission from this Declaration of any provision or stipulation which shall be necessary for the accomplishment of the intent and purposes hereof, then such omitted matter shall be supplied by inference and/or by reference to the Act.

40. PERPETUITIES. - If any provision of this Declaration or the By-laws would otherwise violate the rule against perpetuities or any other rule, statute or law imposing time limits, then notwithstanding anything herein to the contrary, such provision shall be deemed to remain in effect only until the death of the last survivor of the now living children of the Honorable Robert F. Kennedy, now serving as United States Senator from the State of New York, plus twenty-one (21) years thereafter.

41. AMENDMENTS TO ACT. If any amendment hereafter made to the Act would not otherwise apply to the condominium regime established by the recordation of this Declaration, then the Council may at any regular meeting or special meeting called for that purpose adopt a resolution to amend this Declaration to enable the application of any such amendment to the Act to the condominium regime hereby established, provided that such resolution shall receive the affirmative vote of the unit owner or owners the recordant at least 51% ownership

interest in the common elements, in the aggregate. Upon adoption of any such resolution it shall be duly executed by the presiding officer and secretary of such meeting and filed for record as an amendment to this Declaration. The provisions of this paragraph are an exception to the provisions set out in paragraph 34., above.

42. RESERVATION. - In the event the Developer, its successors or assigns, shall from time to time or at any time hereafter decide to develop or establish any other condominium projects or regimes on other lands which it now owns out of said Block 19, Sharpstown Industrial Park, Section 7, above mentioned, then Developer, for itself, its successors and assigns, reserves and shall have the right to call and designate such additional condominium projects or regimes as "Demoss Village (No. 2)" "Demoss Village (No. 3)", and so forth.

IN WITNESS WHEREOF, Edna Kelley Building Company, a corporation, has caused this Declaration to be executed, and its corporate seal affixed hereto, by its duly authorized president and secretary, this the _____ day of _____, 1965.

EDNA KELLEY BUILDING COMPANY

By: _____
President

ATTEST:

Secretary

THE STATE OF TEXAS
COUNTY OF HARRIS

Before me, the undersigned authority, on this day personally appeared _____, as president of EDNA KELLEY BUILDING COMPANY, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act and deed of said Edna Kelley Building Company, a corporation, and that she executed the same as the act of said corporation for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN under my hand and seal of office, this _____ day of _____, 1965.

Notary Public in and for Harris
County, Texas.

CONSENT OF MORTGAGEE

The undersigned, SHARPSTOWN STATE BANK, a banking corporation, being the owner and holder of an existing mortgage and liens upon and against the land and property described as the project property in the foregoing Declaration, as such mortgagee and lienholder does hereby consent to said Declaration and the By-laws and other Exhibits appended and attached thereto, and to the recording of same for submission of said project property to the provisions of the Condominium Act of the State of Texas and the condominium regime thereby established.

This consent shall not be construed or operate as a release of said mortgage or liens, or any part thereof, held and owned by the undersigned, but the undersigned agrees that its said mortgage and liens shall hereafter be upon and against each and all of the individual Apartments, Garages, Carport Spaces and all of the appurtenances thereto, and all of the undivided shares and interests in the Common Elements of the project property and of said condominium regime established by the recodation of said Declaration.

SIGNED AND ATTESTED by the undersigned officers of said SHARPSTOWN STATE BANK, at Houston, Texas, this the _____ day of _____, 1965.

SHARPSTOWN STATE BANK

By: _____ President

ATTEST:

Cashier

THE STATE OF TEXAS
COUNTY OF HARRIS

Before me, the undersigned authority, on this day personally appeared _____ as _____ President of SHARPSTOWN STATE BANK, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act and deed of said SHARPSTOWN STATE BANK, a banking corporation, and that he executed the same as the act and deed of said corporation for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN under my hand and seal of office this _____ day of _____, 1965.

Notary Public in and for Harris County, Texas.