

Northbrook North Townhouse Association, Inc.

Articles of Incorporation

Declaration of Covenants, Conditions and Restrictions

And

Bylaws



NORTHBROOK NORTH TOWNHOUSE ASSOCIATION, INC.

ARTICLES OF INCORPORATION

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ARTICLES OF INCORPORATION

OF

NORTHBROOK NORTH TOWNHOUSE ASSOCIATION, INC.

FILED
In the Office of the
Secretary of State of Texas
JUL 11 1973
Bill [Signature]
Deputy Director, Corporation Division

We, the undersigned and natural persons of the age
twenty-one years or more, at least two of whom are citizens of
the State of Texas, acting as incorporators of a corporation under
the Texas Non-Profit Corporation Act, do hereby adopt the follow-
ing Articles of Incorporation for such corporation:

ARTICLE I

CORPORATE NAME

The name of the corporation is NORTHBROOK NORTH TOWNHOUSE
ASSOCIATION, INC.

ARTICLE II

CORPORATE STATUS

The corporation is a non-profit corporation.

ARTICLE III

DURATION

The period of its duration is perpetual.

ARTICLE IV

PURPOSES

The corporation (sometimes herein called the "Association")
is formed for the purposes of providing for maintenance and pre-
servation of the residence Lots and Common Properties within those
two certain tracts of property described as: (a) Phase II of NORTH-
BROOK VILLAGE Planned Unit Development Section One (1), a resi-
dential subdivision of 30.3280 acres in the B.B.B. & C.R.R. Survey,
A-180, Harris County, Texas, according to the Subdivision Plat
thereof recorded in the records of Harris County, Texas, or any
subsequently recorded replat thereof, and (b) Phase II West of
NORTHBROOK VILLAGE Planned Unit Development Section One (1), a
residential subdivision of 3.6.86 acres in the B.B.B. & C.R.R.
Survey, A-180, Harris County, Texas, according to the Subdivision

Plat thereof recorded in the records of Harris County, Texas, or any subsequently recorded replat thereof, and to promote the health, safety and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for these purposes and to

1. exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration", applicable to the aforesaid property and recorded in the Records of Harris County, Texas and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

2. fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

3. acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

4. borrow money and mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

5. dedicate, sell or transfer all or any part of the properties under its control to any public agency, authority or utility for such purposes and subject to such conditions as it may determine;

6. enter into maintenance agreements for the maintenance

of all Common Properties (as that term is defined in the Declaration) and such other property described in the Declaration as the Board of Trustees or members shall deem to be in the best interest of the Association;

7. arrange for and obtain insurance covering all or any part of the property described in the Declaration (including Lots and any improvements thereon) and covering such risks as the Board of Trustees or members shall deem to be in the best interest of the Association; to assess and collect the premiums for such insurance coverage as a common expense or charge pursuant to the terms of the Declaration;

8. have and exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Act of the State of Texas may by law now or hereafter have or exercise; provided that none of the objects or purposes herein set out shall be construed to authorize the corporation to do any act in violation of said Non-Profit Corporation Act or Part Four of the Texas Miscellaneous Corporation Laws Act, and all such objects or purposes are subject to said Acts.

ARTICLE V

REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of the corporation is 6402 Bankside, Houston, Texas 77035, and the name of its initial registered agent at such address is Alan E. Clark.

ARTICLE VI

TRUSTEES

The affairs of the Association shall be managed by a Board of five (5) Trustees, who need not be members of the Association. The number of trustees may be changed by amendment of the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of initial trustees until January 31, 1975, or until the selection of their successors, are:

<u>Name</u>	<u>Address</u>
Alfred E. Dishman	6402 Bankside Houston, Texas 77035
William G. Dwyer	6402 Bankside Houston, Texas 77035
Alexander R. Spellman	6402 Bankside Houston, Texas 77035
Jerry W. Baker	6402 Bankside Houston, Texas 77035
James J. Gallagher	6402 Bankside Houston, Texas 77035

At the first annual meeting beginning in 1975 the members shall elect one trustee for a term of one year, two trustees for a term of two years and two trustees for a term of three years; and at each annual meeting thereafter the members shall elect a trustee, or trustees, as the case may be, for a term of three years to replace the outgoing trustee or trustees, as the case may be.

ARTICLE VII

INCORPORATORS

The name and street address of each incorporator is:

<u>Name</u>	<u>Address</u>
Bill E. Henry	351 Esperson Building Houston, Texas 77002
Charles S. Turet, Jr.	351 Esperson Building Houston, Texas 77002
Howard T. Ayers, Jr.	351 Esperson Building Houston, Texas 77002

ARTICLE VIII

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any property which is subject to a maintenance charge assessment by the Association (hereinafter referred to as a "Lot" or "Lots"), such persons or entities being hereinafter referred to as an "Owner", shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to

and may not be separated from ownership of the property which is subject to assessment by the Association. Ownership of such property shall be the sole qualification for membership.

ARTICLE IX

VOTING RIGHTS

The Association shall have two classes of membership:

Class A. Class A members shall be all those Owners as defined in Article VIII except for the Class B member. Class A members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article VIII. When more than one person holds such interest in any Lot, all such persons shall be members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be Venture 80 Homes, Inc., the Declarant as defined in the Declaration. The Class B member shall be entitled to three (3) votes for each Lot in which it holds the interest required for membership by Article VIII; provided, however, that the Class B membership shall cease and be converted to Class A membership on the happening of one of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) on January 1, 1975.

The Class A and Class B members shall have no rights as such to vote as a class, except as required by the Texas Non-Profit Corporation Act or as specified in the Declaration, and both classes shall vote together upon all other matters as one group.

ARTICLE X

DISSOLUTION

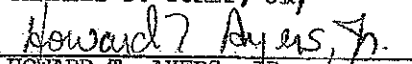
Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for

purposes similar to those for which this Association was created or shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

IN WITNESS WHEREOF, we, the undersigned, have hereunto set our hands this the 9th day of July, 1973.


BILL E. HENRY



CHARLES S. TURET, JR.


HOWARD T. AYERS, JR.

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

I, EDWARD R. SWIFT, a Notary Public, do hereby certify that on this 9th day of July, 1973, personally appeared before me BILL E. HENRY, CHARLES S. TURET, JR. and HOWARD T. AYERS, JR., who each being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year above mentioned.


Notary Public in and for
HARRIS COUNTY, TEXAS

EDWARD R. SWIFT
Notary Public in and for Harris County, Texas
My Commission Expires June 1, 1975

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

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FIRST AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
PHASE II AND PHASE II WEST OF NORTHBROOK
VILLAGE PLANNED UNIT DEVELOPMENT SECTION ONE

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

WHEREAS, on July 26, 1973, the Declaration of Covenants, Conditions and Restrictions for Phase II and Phase II West of Northbrook Village Planned Unit Development, Section One (1), a subdivision located in Harris County, Texas, according to the maps or plats thereof recorded in Volume 184, Page 117 and Volume 207, Page 26, respectively, of the Map Records of Harris County, Texas, was filed of record under Clerk's File No. D932964 in the Official Public Records of Real Property of Harris County, Texas (the "Declaration"); and

WHEREAS, the undersigned, being more than seventy-five percent (75%) of the Owners of the Lots in the Phase II and Phase II West of Northbrook Village Planned Unit Development, Section One (1), desire to amend the said Declaration to allow for the establishment of special assessments for capital improvements, replacements or repairs, which benefit only the Owners of the Lots in Phase II but not the Owners of the Lots in Phase II West, or *vice versa*, to be approved by and assessed against only the Owners of the Lots in the Phase which is benefited by such capital improvement, replacement or repair.

NOW, THEREFORE, pursuant to the provisions of the Declaration, the Undersigned, being more than seventy-five percent (75%) of the Owners of the Lots in the Phase II and Phase II West of Northbrook Village Planned Unit Development, Section One (1), do hereby adopt the following amendments to the said Declaration:

I.

ARTICLE VI. Section 5. Special Assessments for Capital Improvements, of the Declaration is hereby amended to allow for separate special assessments applicable only to one (1) of the Phases of the Properties (as defined in the Declaration). The said Section 5, as hereby amended, will read as follows:

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 1 hereof, the Association may in any assessment year levy a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a capital improvement upon the Common Properties, including the fixtures and personal property related thereto. Except as otherwise provided in this Section, any such special assessment must have the assent of two-thirds (2/3rds) of the Owners present and voting, in person or by proxy, at a

meeting of the Association duly called for the purpose of approving such special assessment. Where the proposed special assessment pertains to the cost of construction, reconstruction, repair or replacement of a capital improvement which exclusively benefits the Common Properties located wholly within only one Phase of the Properties, such special assessment shall be against only the Lots within the Phase of the Properties so benefited, provided that, the said special assessment need only be approved by two-thirds (2/3rds) of the votes of each class of Members owning Lots in the Phase which will be subject to such special assessment who are voting in person or by proxy at the meeting called for the purpose of passing such special assessment.

II.

ARTICLE VI. Section 7. Rate of Assessment, of the Declaration is hereby amended to conform to the provisions of the amended Section 5. by adding the following sentence to the said Section 7:

As to special assessments pertaining only to the Lots of one (1) of the Phases of the Properties, such special assessments must be fixed at a uniform rate for all of the Lots within the affected Phase of the Properties to which the said special assessment pertains.

III.

These Amendments to the Declaration will be effective on the ____ day of _____, 1998.

IV.

These Amendments were approved by the affirmative vote of the Owners of not less than Seventy-five percent (75%) of the Lots in the Phase II and Phase II West of Northbrook Village Planned Unit Development, Section One (1) at a meeting called for that purpose and held on the ____ day of _____, 1998.

SIGNED on this the ____ day of _____, 1998.

NORTHBROOK NORTH TOWNHOUSE
ASSOCIATION, INC.

By: _____
Name: _____
President

STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the _____ day of _____
1998, by _____, President of the NORTHBROOK NORTH
TOWNHOUSE ASSOCIATION, INC., a Texas nonprofit corporation, on behalf of said corporation.

Notary Public, State of Texas

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After recording, return to:

John R. Banks, Jr.
MASON, COPLEN & BANKS, L.L.P.
7500 San Felipe, Suite 700
Houston, Texas 77063

with the provisions of Article XI of said Declaration.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

Article IV, Section 2 of the Declaration shall be amended as

follows: Class B (b) shall read "on July 1st, 1977" ~~as provided herein~~
It is specifically understood and agreed that all of the terms and

provisions of the Declaration shall be and remain in full force and effect

as therein written, except as expressly modified herein, and the Declaration

is hereby ratified and confirmed in all other respects.

EXECUTED as of this the _____ day of _____

ATTEST:

IDS MORTGAGE CORPORATION

By:

[Signature]
10639 Sandpiper

Address

[Signature]
6486 Creekhead

Address

[Signature]
10744 Sandpiper

Address

[Signature]
10710 Sandpiper

Address

Address

By:

[Signature]
10731 Sandpiper

Address

[Signature]
10731 Sandpiper

Address

[Signature]
10614 Sandpiper

Address

[Signature]
10626 Sandpiper

Address

Address

MODIFICATION OF DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

THE STATE OF TEXAS)(
)(
COUNTY OF HARRIS)(

WHEREAS, on the 23rd day of July, 1973, VENTURE 80 HOMES, INC., caused to be imposed a Declaration of Covenants, Conditions and Restrictions (herein referred to as "Declaration") upon that real property described as follows, to-wit:

Phase II of Northbrook Village Planned Unit Development, Section One, a residential subdivision of 30.3280 acres in the B.R.B. & C.R.R. Co. Survey, A-180, Harris County, Texas, according to the map thereof recorded in Volume 184, Page 117, of the Map Records of Harris County, Texas; and,

WHEREAS, said Declaration was recorded under Clerk's File Number D-932964 in the Official Public Records of Real Property of Harris County, Texas; and,

WHEREAS, on the 6th day of May, 1975, IDS MORTGAGE CORPORATION (hereinafter referred to as "IDS") acquired title to Northbrook Village Planned Unit Development, Section One, Phase II; said property being specifically described in that certain Substitute Trustee's Deed recorded under Clerk's File Number E-429745 in the Official Public Records of Real Property of Harris County, Texas; and,

WHEREAS, IDS is the present fee title owner of those remaining lots in Northbrook Village Planned Unit Development, Section One, Phase II, which have not been conveyed in fee simple to individuals for residential townhouse use; and,

WHEREAS, IDS and the present fee title owners of the lots in Northbrook Village Planned Unit Development, Section One, Phase II, desire to amend the Declaration as hereinafter specifically set forth, all in accordance

D932964

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

(Phase III and Phase II West of Northbrook
Village Planned Unit Development Section One)

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

30.5280
acres

THIS DECLARATION, made on the date hereinafter set forth
by VENTURE 80 HOMES, INC., a corporation, hereinafter called
"Declarant."

W I T N E S S E T H:

3850
al
WHEREAS, Declarant is the owner of the real property
described in Article III of this Declaration and desires to
create thereon a residential townhouse community with design-
ated "Lots" and "Common Properties" and "Common Facilities"
(as those terms are defined herein) for the benefit of the
present and future owners of said Lots; and

Whereas, Declarant desires to provide for the preserva-
tion of the values and amenities in said community and for the
maintenance of said Common Properties and Common Facilities,
and to this end, desires to subject the real property described
in Article III together with such additions as may hereafter be
made thereto (as provided in Article III hereof) to the cove-
nants, restrictions, easements, charges and liens hereinafter
set forth, each and all of which is and are for the benefit of
said property and each owner thereof; and

Whereas, Declarant has deemed it desirable for the efficient
preservation of the values and amenities in said community, to
create an agency to which will be delegated and assigned the
powers of maintaining and administering the Common Properties
and Common Facilities and administering and enforcing the cove-
nants and restrictions and collecting and disbursing the assess-
ments and charges hereinafter created; and

WHEREAS, Declarant shall cause NORTHBROOK NORTH TOWNHOUSE ASSOCIATION, INC. to be incorporated under the laws of the State of Texas, as a non-profit corporation, for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, the Declarant declares that the real property described in Article III, and such additions thereto as may hereafter be made pursuant to Article III hereof, is and shall be held, transferred, sold, conveyed, occupied and enjoyed subject to the covenants, restrictions, easements, charges and liens (sometimes referred to herein as "covenants and restrictions") hereinafter set forth.

ARTICLE I

Definitions

Section 1. The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to NORTHBROOK NORTH TOWNHOUSE ASSOCIATION, INC., its successors and assigns, as provided for herein.

(b) "The Properties" shall mean and refer to the properties described in Article III hereof and respectively depicted on the Subdivision Plats, which are subject to this Declaration, and any additions thereto which are subject to any Supplemental Declaration under the provisions of Article III hereof. "Phase II" shall mean and refer to Phase II of Northbrook Village Planned Unit Development Section One (1), and "Phase II West" shall mean and refer to Phase II West of Northbrook Village Planned Unit Development Section One (1).

(c) "Common Properties" shall mean and refer to all those areas of land within the Properties except the dedicated

public streets shown on the Subdivision Plats, and portions of the Building Sites shown the Phase II Subdivision Plat which are or are intended to be conveyed by Declarant to purchasers of Townhouses, subject, however, to the easements, limitations, restrictions, dedications and reservations applicable thereto by virtue hereof and/or by virtue of such Subdivision Plat. It is the intention of Declarant to develop the Properties so that portions thereof (the Common Properties) shall be owned and maintained by and subject to the authority of the Association. In addition to the Common Properties situated outside the Building Sites in Phase II, certain portions of such Building Sites will be utilized as the site for carports and related appurtenances for the use of the Owner of the adjoining Lot, and will not be conveyed to the purchaser of the Town-
houses on such adjoining Lot. Therefore, all portions of the Building Sites in Phase II not conveyed or not intended to be conveyed to purchasers of Townhouses shall be Common Properties and shall be conveyed to the Association concurrently with the conveyance to the Association of the balance of the Common Properties.

(d) "Common Facilities" shall mean and refer to all existing and subsequently provided improvements upon or within the Common Properties except those as may be expressly excluded herein. In some instances Common Facilities may consist of improvements for the use and benefit of the Owners of all of the Lots constructed on portions of one or more Lots. By way of illustration, Common Facilities may include, but not

necessarily be limited to, the following: structures for recreation, storage or protection of equipment; fountains; statuary; sidewalks; private streets; common driveways; guest parking spaces; carports; landscaping; and other similar or appurtenant improvements.

(e) "Building Site" shall mean and refer to any of the plots of land designated numbers One (1) through Eighteen (18) on the Phase II Subdivision Plat, or any amendments thereto or replats thereof. "Unit" shall mean and refer to any of the plots of land depicted and respectively designated numbers One (1) through Thirty (30) on the Phase II West Subdivision Plat, or any amendments thereto or replats thereof

(f) "Lot" shall mean and refer to that portion of any Building Site in Phase II on which there is or will be constructed a single family townhouse and which is or is intended to be conveyed by Declarant to purchasers of Townhouses, and to each of the Units in Phase II West. Declarant shall be the owner of all Lots other than those Lot which Declarant conveys in fee simple by recordable deed subsequent to the date hereof. In all contracts, deeds, conveyances, mortgages, deeds of trust, releases and other legal instruments, each Lot in Phase II shall be described by metes and bounds, and each Lot in Phase II West shall be described by reference to the appropriate Unit depicted on the Phase II West Subdivision Plat, unless Declarant, subsequent to the date hereof, shall elect to record a replat of Phase II depicting the Lots thereon, whereupon description of Lots in Phase II shall be by reference to such replat.

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(g) "Townhouse" shall mean and refer to a single family residential unit constructed on a lot as part of a residential building containing two or more such single family residential units.

(h) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

(i) "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article IV, Section 1, hereof.

(j) "Phase II Subdivision Plat" shall mean and refer to the map or plat of Phase II of Northbrook Village Planned Unit Development Section One (1) recorded in Volume 184, Page 117 of the Map Records of Harris County, Texas, or any subsequently recorded replat thereof. "Phase II West Subdivision Plat" shall mean and refer to the map or plat of Phase II West of Northbrook Village Planned Unit Development Section One (1) recorded in Volume _____, Page _____, of the Map Records of Harris County, Texas, or any subsequently recorded replat thereof. "The Subdivision Plats" shall mean and refer collectively to both the foregoing Subdivision Plats.

1611-27-C01

ARTICLE II

Reservations, Exceptions and Dedications

Section 1. The Subdivision Plats dedicate for use as such, subject to the limitations set forth therein, certain streets and easements shown thereon, and such Subdivision plat further establishes certain dedications, limitations, reservations and restrictions applicable to the Properties. In addition, Declarant has heretofore reserved, created and dedicated by separate recorded instruments utility easements in favor of public utilities companies, municipal and other governmental authorities servicing the Properties as shown and provided in such separate, recorded instruments. All dedications, limitations, restrictions and reservations shown on the Subdivision Plats and evidenced by such separate, recorded instruments are incorporated herein and made a part hereof as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant, conveying any part of the Properties.

Section 2. Each Lot and the property included in the Common Properties shall be subject to a temporary easement for ingress, egress, encroachments and overhangs during and in connection with the construction of improvements on adjacent property, and a permanent easement for minor encroachments due to the settling of structures erected on adjoining property.

Section 3. Declarant reserves the right to create, grant, dedicate and reserve all necessary easements and rights-of-way for the purpose of constructing, maintaining and repairing a system or systems of electric lighting, electric power, telegraph and telephone line or lines, water, gas, sewers, or any other utility Declarant sees fit to install in, across and/or

under the Properties, and there is hereby created an easement upon, across, over and under all of the Properties for ingress and egress, installing, replacing, repairing and maintaining all such utilities and appurtenances thereto. By virtue of this easement, it shall be expressly permissible for the utility companies to affix and maintain pipes, wires, conduits, service lines or other utility facilities or appurtenances thereto, on, above, across and under the Properties and roofs and exterior walls of the Townhouses. Notwithstanding anything to the contrary contained in this paragraph, no sewer, electrical lines, water lines, or other utilities or appurtenances thereto may be installed or relocated on the property until approved by Declarant or the Association's Board of Trustees. In the event that any utility company furnishing a service covered by the general easement herein provided requests a specific easement by separate recordable instrument, Declarant shall have the right to grant such easement on said property without conflicting with the terms hereof. At such time as Declarant has created the necessary easements for installing and maintaining of utilities over specific portions of the Properties, Declarant shall execute and record an instrument designating the portions of the Properties to be subject to the rights and easements described in this Article II, Section 3, and releasing the remaining portions of the Properties from said rights and easements.

Section 4. An underground electric distribution system will be installed within the Properties, and the Properties shall be designated an Underground Residential Subdivision. The Owner of each Townhouse in the Underground Residential Subdivision shall, at his own cost, furnish, install, own and maintain (all in accordance with the requirements of local

governing authorities and the National Electrical Code) the underground service cable and appurtenances from the point of the electric company's metering on customer's structure to the point of attachment at such company's installed transformers or energized secondary junction boxes, such point of attachment to be made available by the electric company at a point designated by such company at the property line of each Lot. The electric company furnishing service shall make the necessary connections at said point of attachment and at the meter. In addition the Owner of each Townhouse shall, at his own cost, furnish, install own and maintain a meter loop (in accordance with the then current standards and specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for the Townhouse constructed on such Owner's Lot. For so long as underground service is maintained, the electric service to each Townhouse in the Underground Residential Subdivision shall be underground, uniform in character and exclusively of the type known as single phase, 120/240 volt, three wire, 60 cycle, alternating current.

Section 5. Easements for underground service may be crossed by driveways and walkways with the prior approval of the utility company furnishing electric service. Such easements for underground service shall be kept clear of all improvements, including buildings, patios or other pavings, other than crossing walkways or driveways. Neither Declarant nor any utility company using the easements herein referred to, shall be liable for any damages done by them or their assigns, their agents, employees or servants, to fences, shrubbery, trees or flowers or other property of the Owner situated on the land covered by said easements.

Section 6. It is expressly agreed and understood that the title conveyed by Declarant to any Lot or parcel of land in the Properties by contract, deed or other conveyance shall not be held or construed in any event to include the title to any roadways or any drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph or telephone way, or any pipes, lines, poles or conduits on or in any utility facility or appurtenances thereto constructed by or under Declarant or its agents through, along or upon said property or any part thereof to serve said property or any other portions of the Properties, and the right to maintain, repair, sell or lease such appurtenances to any municipality, or other governmental agency or to any public service corporation or to any other party is hereby expressly reserved in Declarant.

Section 7. An easement is hereby granted upon and across the guest parking spaces indicated on the Subdivision Plats and upon and across all areas within four (4) feet on either side of the center line of all portions of the Common Properties constructed for and utilized as sidewalks; provided, however, that such easement shall not cover any area included within the portion of a Lot on which a Townhouse is situated. Such easement shall be for the common use and benefit of all Owners and their families, guests or invitees, and their right to use the same for ingress and egress shall be had at all times, except as may be limited by the Board of Trustees of the Association. The Association shall have the right to remove or require the removal of any obstruction that may be placed in such easement that would constitute interference with its intended use.

Section 8. Any "Private Street" indicated and designated as such on the Subdivision Plats shall be construed to be an easement available for the general use of the Owners of the Lots and for public access for the benefit of the Lots to the extent required by applicable governmental regulations.

Section 9. Each Lot and the property included in the Common Properties shall be subject to an easement for encroachment by the curb line of any Private Street situated in the Common Properties onto said Lots and/or Common Properties to the extent and subject to the limitations hereinafter set forth. Said easement shall be up to one (1) foot in width and shall be along and parallel to the outside boundaries of such Private Streets where such boundaries are common with boundary lines of said Lots and/or Common Properties; provided however, that such easement shall not cover any area included within the portion of a Lot on which a Townhouse is situated.

ARTICLE III

Property Subject to This Declaration: Additions or Modifications Thereto

Section 1. Existing Property. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is (a) Phase II of NORTHBROOK VILLAGE Planned Unit Development Section One (1), a residential subdivision of 30.3280 acres in the B.B.B. & C.R.R. Survey, A-180, Harris County, Texas, according to the Subdivision Plat thereof recorded in the records of Harris County, Texas, or any subsequently recorded replat thereof, and (b) Phase II West of NORTHBROOK VILLAGE Planned Unit Development Section One (1), a residential subdivision of 3.6186 acres in the B.B.B. & C.R.R. Survey, A-180, Harris County, Texas, according to the Subdivision Plat thereof recorded in the records of Harris County, Texas, or any subsequently recorded replat thereof, all of which real property is sometimes hereinafter referred to as "Existing Property".

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Section 2. Additions to Existing Property. Additional lands may become subject to this Declaration in the following manner:

(a) Additions by Declarant. The Declarant, its successors and assigns, shall have the right to bring within the scheme of this Declaration additional properties in future stages of the development, provided that such additions are in accord with a General Plan of Development prepared and submitted to and approved by a two-thirds (2/3) vote of the Members of the Association. Such General Plan of Development shall show the proposed additions to the Existing Property and contain: (1) an indication of the size and location of the additional properties, proposed land uses and the general nature of proposed private improvements; (2) the approximate size and location of Common Properties proposed; (3) the general nature of proposed Common Facilities and improvements; (4) a statement that the proposed additions, if made, will become subject to assessment for their just share of Association expenses. Unless otherwise stated therein, such General Plan shall not bind the Declarant, its successors and assigns, to make any additions proposed or to adhere to the Plan in any subsequent development of a tract of land once proposed as an addition to the Existing Property but not so added. Any additions authorized under this and the succeeding subsection, shall be made by filing of record a Supplemental Declaration of Covenants, Conditions and Restrictions with respect to the additional property which shall extend the scheme of the covenants, conditions and restrictions of this Declaration to such property

and the execution thereof by the Association shall constitute all requisite evidence of the required approval thereof by the Members of the Association. Such Supplemental Declaration may contain such complementary additions and/or modifications of the covenants, conditions and restrictions contained in this Declaration as may be applicable to the additional lands and as are consistent with the approved General Plan.

(b) Other Additions. Upon the approval of the Association by a two-thirds (2/3) vote of its Members, the owner of any property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association, may file for record a Supplemental Declaration of Covenants, Conditions and Restrictions upon the satisfaction of the conditions specified in subsection (a) above.

(c) Mergers. Upon a merger or consolidation of the Association with another association, the Association's properties, rights and obligations may be transferred to another 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 established by this Declaration together with the covenants, conditions and restrictions applicable to the properties of the other association as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants, conditions and restrictions established by this Declaration.

ARTICLE IV

Membership and Voting Rights in the Association

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject to the jurisdiction of the Association shall be a Member of the Association, provided that any such person or entity who holds an interest in any such Lot or Lots merely as security for the performance of an obligation shall not be a Member. Membership shall be appurtenant to and may not be separated from ownership of a Lot.

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

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

Class B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to three votes for each Lot in which it holds the interest required by Section 1; provided that the Class B membership shall cease and become converted to Class A membership on the happening of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) on January 1, 1976.

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From and after the happening of these events, whichever occurs earlier, the Class B Member shall be deemed to be a Class A Member entitled to one vote for each Lot in which it holds the interests required for membership under Section 1.

Section 3. Board of Trustees: The Association shall act through a five (5) member Board of Trustees elected annually in the month of January, beginning in January, 1976. The initial Board of Trustees, which shall serve through January 31, 1976, shall be composed of Alfred E. Dishman, William G. Dwyer, Alexander R. Spellman, Jerry W. Baker and James J. Gallagher. Any vacancy on the Board of Trustees from whatever cause may be filled by the remaining member or members.

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

Section 5. Non-Profit Corporation. A non-profit corporation may be organized to assume and perform the duties and functions of the Association. Upon the organization of such corporation, all duties, obligations, benefits, liens and rights hereunder in favor of the Association shall vest in said corporation.

ARTICLE V

Property Rights in the Common Properties and Common Facilities

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 3 of this Article V, every Member shall have a common right and easement of enjoyment in and to the Common Properties and Common Facilities and such right and easement shall be appurtenant to and shall pass with the title to every Lot.

Section 2. Title to Common Properties and Common Facilities. The Declarant may retain the legal title to the Common Properties and Common Facilities until such time as it has completed improvements thereon and until such time as, in the sole opinion of the Declarant, the Association is able to maintain the same but, notwithstanding any provision herein, the Declarant hereby covenants, for itself, its successors and assigns, that it shall convey the Common Properties and Common Facilities to the Association not later than January 1, 1976.

Section 3. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

- (a) the right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Properties and Common Facilities and in aid thereof to mortgage said properties and facilities. In the event of a default upon any such mortgage, the lender's rights thereunder shall be limited to the right, after taking possession of such properties and facilities, to charge admission and other fees as a condition to continued enjoyment of the Members of recreational facilities constructed on Common Properties and, if necessary, to open the enjoyment of such recreational facilities to a reasonably wider public until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored; and
- (b) the right of the Association to take such steps as are reasonably necessary to protect the above described properties and facilities against foreclosure; and
- (c) the right of the Association to suspend the voting and enjoyment rights of any Member for any period during which any assessment remains unpaid, and for any period

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not to exceed sixty (60) days for any infraction of its published rules and regulations; and

(d) the right of the Association to assess and collect the assessments provided for herein and to charge reasonable admission and other fees for the use of recreational facilities located on the Common Properties; and

(e) the right of the Association to dedicate or transfer all or any part of the Common Properties and Common Facilities to any public agency, authority, or utility for such purposes and subject to such conditions as may be approved by a two-thirds (2/3) vote of the Members; and

(f) the right of the Association to determine the time and manner of use of the Common Properties and Facilities by the Members and to limit the number of guests of Members;

(g) the right of the Declarant at any time prior to the substantial completion of the Townhouses on all the Lots in the Properties, to replat all or any portion of the Properties in order to effect changes in the configuration, location and size of the Common Properties, the Building Sites in Phase II and the Lots in Phase II West, so long as no such replatting shall result in a substantial reduction in the aggregate area of the Common Properties; and

(h) the rights and easements existing or hereafter created in favor of others as provided for in the Subdivision Plat and/or in Article II hereof. Any Member may delegate his right of enjoyment of the Common Properties and Facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE VI

Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot (except Declarant, as provided in the following Section), by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, shall be deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be fixed, established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the obligation accrued.

Section 2. Lots Owned by Declarant. No Lot owned by Declarant shall be subject to any regular annual maintenance charge while it is owned by Declarant, unless and until a Townhouse has been built thereon and three (3) months have elapsed since the substantial completion of such Townhouse, or the Townhouse has been permitted to be occupied, whichever occurs first. The term "substantial completion" as used herein shall mean that the Townhouse is ready for sale or occupancy, except for minor items which must be furnished, completed, corrected or adjusted. Whenever a Lot owned by Declarant becomes subject to assessment, as provided for in this Section, such Lot then shall be treated and assessed as any other Lot which is subject to assessment.

Section 3. Purpose of Assessments. The assessments levied by the Association shall be used for the purpose of promoting the recreation, health, safety, and welfare of the Members and for the improvement and maintenance of property,

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services and facilities devoted to this purpose and related to the use and enjoyment of the Properties by the Members.

Section 4. Basis and Maximum of Annual Assessment.

Until January 1 of the year immediately following the initial conveyance by Declarant of a Lot to an Owner, the annual assessment for each Lot shall not exceed the sum of Four Hundred Twenty Dollars (\$420.00) per Lot. From and after January 1 of the year immediately following the initial conveyance by Declarant of a Lot to an Owner, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum assessment for the previous year without a vote of the membership. From and after January 1 of the year immediately following the initial conveyance by Declarant of a Lot to an Owner, the maximum annual assessment may be increased by more than five percent (5%) above the maximum assessment for the previous year by a vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose. The Board of Trustees, after consideration of current maintenance costs and future needs, may fix the annual assessment at an amount less than the maximum, at its discretion.

Section 5. Special Assessments for Capital Improvements.

In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Properties, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who

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are voting in person or by proxy at a meeting duly called for this purpose.

Section 6. Notice and Quorum for Any Action Authorized Under Sections 4 and 5. Written notice of any meeting called for the purpose of taking any action authorized under Section 4 or 5 of this Article VI shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of such class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that such reduced quorum requirement shall not be applicable to any such subsequent meeting held more than sixty (60) days following the preceding meeting.

Section 7. Rate of Assessment. Both annual and special assessments must be fixed at uniform rate for all Lots subject to such assessments.

Section 8. Date of Commencement of Annual Assessments:
Due Dates. The annual assessments provided for herein shall commence as to all Lots subject to such assessments on the date (which shall be the first day of a month) fixed by the Board of Trustees to be the date of commencement, which date shall not be earlier than April 1, 1973. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Trustees shall fix the amount of the annual assessment

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against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Trustees, and, unless otherwise provided, the Association shall collect each month from the Owner of each Lot one twelfth (1/12) of the annual assessment for such Lot. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. Effect of Non-payment of Assessments;
Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six percent (6%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs and reasonable attorney's fees for any such action shall be added to the amount of such assessment. Each such Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien on real property, and such Owner hereby expressly grants to the Association a power of sale in connection with said lien which shall be exercised in the manner prescribed by statute. The lien provided for in this section shall be in favor of the

Association and shall be for the benefit of all other Lot owners. The Association, acting on behalf of the Lot Owners shall have the power to purchase any interest in any Lot at foreclosure sale and to acquire and hold, lease, mortgage and convey the same; and to subordinate so much of its right to such lien as may be necessary or expedient to any insurance company continuing to give total coverage notwithstanding non-payment of such defaulting Owner's portion of the premium. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Properties or abandonment of his Lot.

Section 10. Subordination of the Lien to Mortgages.

The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage, provided however, that such subordination shall apply only to assessments which have become due and payable prior to the sale or transfer of any Lot pursuant to mortgage foreclosure, or any proceeding in lieu thereof. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. Further, the Association shall give the holder of any such first mortgage written notification of any default by any Owner hereunder, which default shall have remained unremedied for a period of thirty (30) days, which such notice shall be sent to the nearest office of such first mortgage holder by prepaid U. S. Registered Mail.

Section 11. Exempt Property. All properties dedicated to, and accepted by, a local public authority, the Common Properties, and all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Texas shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

Section 12. Management Agreements. Each Owner hereby agrees to be bound by the terms and conditions of all management agreements entered into by the Association. A copy of all such agreements shall be available to each Owner. Any and all management agreements entered into by the Association shall provide that said management agreement must be renewed annually and may be cancelled, prior to the expiration of said agreement, by an affirmative vote of sixty percent (60%) of the votes of each class of the Members of the Association. In no event shall such management agreement be cancelled prior to the effecting by the Association or its Board of Trustees of a new management agreement with a party or parties, which new management agreement will become operative immediately upon the cancellation of the preceding management agreement. It shall be the duty of the Association or its Board of Trustees to effect a new management agreement prior to the expiration of any prior management contract. Any and all management agreements shall be made with a responsible party or parties having experience consistent with the management requirements of the Properties.

Section 13. Insurance Assessments. The Board of Trustees, or its duly authorized agent, shall have the authority to and shall obtain insurance covering all the buildings including all Townhouses against loss or damage by fire or other hazards in an amount sufficient to cover the full replacement cost of any repair or reconstruction work in the event of damage or destruction from any hazard, including vandalism, and shall also obtain a broad form public liability policy covering all Common Properties, and all damage or injury caused by the negligence of the Association or any of its agents. Premiums for all such insurance except on the individual Townhouses, shall be common expenses. All such insurance coverage, including insurance on individual Townhouses obtained by the Board of Trustees, shall be written in the name of the Association as Trustee for each of the Owners in equal proportion. Premiums for insurance obtained by the Board of Trustees on individual

Townhouses shall not be part of the common expense, but shall be an expense of the Owners of the specific Townhouse so covered and a debt owed by such Owners, and shall be collectible by any procedure permitted by the laws of the State of Texas. In addition, if said debt is not paid within twenty (20) days after notice to the Owner of such debt, such amount shall automatically become a lien upon such Owner's Lot and Townhouse and shall continue in force until such debt is fully paid. This lien shall be subordinate to the lien of any first mortgage and shall be enforceable in the same manner as any lien created by failure to pay the maintenance assessment. In addition to the aforesaid insurance required to be carried by the Association, any Owner may, at his own expense, insure his Townhouse Unit for his own benefit and carry any and all other insurance he deems advisable. It shall be the individual responsibility of each Owner at his own expense to provide, as he sees fit, hazard insurance, homeowner's liability insurance, theft and other insurance covering personal property damage and loss.

In the event of damage or destruction by fire or other casualty to any property covered by insurance written in the name of the Association, the Board of Trustees shall, with concurrence of the mortgagee, if any, upon receipt of the insurance proceeds, contract to rebuild or repair such damaged or destroyed property to the same condition as before the casualty. All such insurance proceeds shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by a Federal governmental agency, with the provision agreed to by said bank or institution that such funds may be withdrawn only by signature of at least one-third (1/3) of the members of the Board of Trustees, or by an agent duly authorized by the Board of Trustees. The Board of Trustees shall advertise for sealed bids from any licensed contractors, and then may negotiate with any contractor, who shall be required to provide a full performance and payment bond for the repair, reconstruction or rebuilding of such destroyed property. In the event the insurance proceeds are insufficient to pay

all the costs of repairing and, or rebuilding such damaged or destroyed property, the Board of Trustees shall levy a special assessment against:

(a) all Owners of damaged Townhouses in such proportions as the Board of Trustees deems fair and equitable in view of the damage sustained by such Townhouses, to make up any such deficiency for repair or rebuilding of such Townhouses; and

(b) all Members of the Association, as provided by Article VI, Section 5 above, to make up any such deficiency for repair or rebuilding of any portion of the Common Properties.

In the event such insurance proceeds exceed the cost of repair and reconstruction of such damaged Townhouses, such excess shall be paid over to the mortgagees and Owners as their interests may appear, of such respective Townhouses, in such proportions as the Board of Trustees deem fair and equitable in view of the damage sustained by such Townhouses.

Notwithstanding the foregoing, the Association, in its sole discretion upon application by an Owner as the result of the requirements of his mortgagee or for other good and substantive reason, shall have the authority to permit such Owner to obtain in his own name coverage of the type and in such limits as is required herein to be obtained by the Association and such Owner shall furnish evidence to the Association of the existence of such coverage, such evidence of coverage to be in a form satisfactory to the Association, including without limitation, a covenant by the issuing insurer that such coverage will not be modified or terminated without at least ten (10) days prior written notice to the Association. In the event of damage or destruction by fire or other casualty to any Townhouse or other property covered by insurance written in the name of an individual Owner, said Owner shall, upon receipt of the insurance proceeds, contract to repair or rebuild such damaged or destroyed portions of the exterior of the Townhouse in a good workmanlike manner in conformance with the original plans and specifications of said

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Townhouse. In the event such Owner refuses or fails to so repair and rebuild any and all such damage to the exterior of the Townhouse area within thirty (30) days, the Association, by and through its Board of Trustees is hereby irrevocably authorized by such Owner to repair and rebuild any such Townhouse in a good and workmanlike manner in conformance with the original plans and specifications of the Townhouses. The owner shall then repay the Association in the amount actually expended for such repairs, and the Association shall have a lien securing the payment of same identical to that provided above in this Section securing the payment of insurance premiums; and subject to foreclosure as above provided.

In the event the Association shall fail or refuse at any time to obtain insurance coverage of the type and in the limits herein provided on the individual Townhouses, or in the event, for any reason, the foregoing provisions of this Section shall be deemed to be inoperative or inapplicable to any Lot, nevertheless, in any such event, each Owner of any such Lot shall be obligated to obtain in his name, and thereafter maintain in force, insurance coverage on his Townhouse of the type and in the limits herein provided to be obtained by the Association.

ARTICLE VII

Architectural Control Committee

Section 1. Approval of Plans. No building, structure, fence, wall or other improvements shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the detailed plans and specifications therefor shall have been submitted to and approved in writing as to compliance with minimum structural and mechanical standards, location and situation on the Lot, and as to harmony of external design and location in relation to property lines, building lines, easements, grades, surrounding structures, guest parking spaces, walks and topography by the Board of Trustees of the Association, acting as the Architectural Control Committee, or by an Architectural Control Committee composed of three (3) or more Members appointed by the Board (herein referred to as the "Architectural Control Committee" whether constituted or appointed by the Board of Trustees). The submitted plans and specifications shall specify, in such form as the Architectural Control Committee may reasonably require, structural, mechanical, electrical and plumbing detail and the nature, kind, shape, height, exterior color scheme, materials, and location of the proposed improvements or alterations thereto. In the event said Architectural Control Committee fails to approve or disapprove such plans and specifications within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and the provisions of this Section will be deemed to have been fully complied with. Without limitation of the powers herein granted, the Architectural Control Committee, shall have the right to specify a

limited number of acceptable exterior materials and/or finishes that may be used in the construction, alteration or repair of any improvement on any Lot. It also shall have the right to specify requirements for each Lot as follows: minimum setbacks; the location, height and extent of fences, walls or other screening devices; and the orientation of the Townhouse with respect to garage access and major entry or frontage. The Architectural Control Committee shall have full power and authority to reject any plans and specifications that do not comply with the restrictions herein imposed or meet its minimum construction requirements or architectural design requirements or that might not be compatible, in the sole discretion of the Architectural Control Committee, with the design or overall character and aesthetics of the Properties.

ARTICLE VIII

Party Walls

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the Townhouses upon the Lots and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in equal proportions to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty,

any Owner who has used the wall may restore it, and if any other Owner thereafter makes use of the wall, he shall contribute to the cost of restoration thereof in equal proportions without prejudice, however, to the right of any such Owner to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

ARTICLE IX

Exterior Maintenance

In addition to maintaining the Common Properties, the Association shall provide exterior maintenance of each Lot which is subject to assessment hereunder and improvements located thereon, as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces, screens or screen doors, exterior door or window fixtures or other hardware or patios. Further, the Association shall not be obligated to repair any damage occasioned by casualty or vandalism, it being understood that the Association shall be obligated to provide routine maintenance required by ordinary wear and tear only.

In the event that the need for maintenance or repair is caused by casualty or vandalism or through the willful or negligent

act of any Owner, his family, guests, or invitees, the Association may, at its option, provide such maintenance and repair and the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such lot is subject.

For the purpose of performing the maintenance required herein the Association through its duly authorized agents, contractors or employees, shall have the right to enter upon any Lot and the exterior of any Townhouse at reasonable hours on any day except Sunday.

ARTICLE X

Use Restrictions

Section 1. The Properties are heraby restricted to residential dwellings for residential use. The term "residential use" as used herein shall be held and construed to exclude any business, commercial, industrial, hospital, clinic and/or professional uses and such excluded uses are hereby expressly prohibited. All buildings or structures erected, altered or placed upon any Lot or other portion of the Properties shall be of new construction and no buildings or structures shall be moved from other locations onto the Properties and no subsequent buildings or structures other than townhouse residential buildings, being single family townhouses joined together by a common exterior roof and foundation, shall be constructed on the Lots. No structures of a temporary character, trailer, basement, tent shack, garage, barn or other outbuilding shall be erected, altered or placed on any portion of the Properties at any time.

Section 2. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the terms, conditions and provisions hereof.

Section 3. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for Declarant or any builder of the Townhouses to maintain during the period of construction and sale of the Townhouses, upon such portion of the Properties as Declarant deems necessary, such facilities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction and sale of the Townhouses, including, but without limitation, a business office, storage area, construction yards, signs, model units and sales office.

Section 4. No animals, livestock or poultry of any kind shall be raised, bred or kept on any of the Lots or other portion of the Properties except that dogs, cats or other household pets (not to exceed a total of three adult animals) may be kept, provided that they are not kept, bred or maintained for any commercial purpose.

Section 5. No advertising signs (except one "for rent" or "for sale" sign, per lot, of not more than five square feet), billboards, unsightly objects, or nuisances shall be erected, placed or permitted to remain on the Properties, nor shall the Properties be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Townhouse or any resident thereof, provided, however, that the Board of Trustees of the Association shall have the sole and exclusive discretion to determine what constitutes a nuisance or endangerment. No business activities of any kind whatever shall be conducted in any building or in any portion of the Properties; provided, however, the foregoing covenants shall not apply to the business activities, signs and billboards, or construction and maintenance of buildings, if any, of Declarant,

its agents and assigns during the construction and sale period, or of the Association, its successors, and assigns, in furtherance of its powers and purposes as herein set forth.

Section 6. All clotheslines, equipment, garbage cans, service yards, woodpiles, or storage piles shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring Townhouses and streets. All rubbish, trash, or garbage shall be kept in sanitary refuse containers with tightly fitting lids and shall be regularly removed from the premises, and not allowed to accumulate thereon. All clotheslines shall be confined to patio areas.

Section 7. Except in the individual patio areas appurtenant to the Townhouse, no planting or gardening shall be done, and no fences, hedges or walls shall be erected or maintained upon the Lots except such as are installed in accordance with the initial construction of the buildings located thereon or as approved by the Architectural Control Committee.

Section 8. Maintenance, upkeep and repairs of any patio, screens and screen doors, exterior door and window fixtures, and other hardware shall be the sole responsibility of the individual Owner of the Lot appurtenant thereto and not in any manner the responsibility of the Association. Any cooperative action necessary or appropriate to the proper maintenance and upkeep of the Common Properties and all exteriors and roofs of the Townhouses, including but not limited to, recreation and parking areas and walks, shall be taken by the Association or by its duly delegated representative.

Section 9. All fixtures and equipment installed within a Townhouse, commencing at a point where the utility lines, pipes, wires, conduits or systems enter the exterior walls thereof, shall be maintained and kept in repair by the Owner thereof. No Owner shall perform any act or work that will impair the structural soundness or integrity of any Townhouse or impair any easement or hereditament, nor perform any act nor allow any condition to exist which will adversely affect any Townhouse or its Owner.

Section 10. Without prior written approval and the authorization of the Architectural Control Committee, no exterior television or radio antennas of any sort shall be placed, allowed or maintained upon any Lot or portion of the exterior of any Townhouse situated upon any Lot other than an aerial for a master antenna system, should any such master system or systems be utilized and require any such exterior antenna.

Section 11. No oil or natural gas drilling, oil or natural gas development or oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any Lot or other portion of the Properties, nor shall oil, natural gas or water wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derricks or other structures for use in the boring for oil, natural gas, minerals or water shall be erected, maintained or permitted upon any Lot.

Section 12. No privy, cesspool or septic tank shall be placed or maintained upon or in any Lot or other portion of the Properties.

ARTICLE III

General Provisions

Section 1. Duration. The covenants and restrictions of the Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by The Association, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then Owners of ninety percent (90%) of the Lots is during the initial twenty (20) year period and thereafter by the then Owners of seventy-five percent (75%) of the Lots has been recorded, agreeing to change said covenants and restrictions in whole or in part. Provided, however, that no such agreement to change shall be effective unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken.

Section 2. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 3. Enforcement. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain

such violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 5. Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, male or female, shall in all cases be assumed as though in each case fully expressed.

Section 6. Amendments by Declarant. The Declarant shall have and reserves the right at any time and from time to time, with the joinder and consent of the lienholder identified in Article XII hereof, its successors and assigns, but without the joinder or consent of any Owner, to amend this Declaration by any instrument in writing duly signed, acknowledged, and filed for record, for the purpose of correcting any typographical or grammatical error, ambiguity or inconsistency appearing herein, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration and shall not impair or affect the vested property or other rights of any Owner or his mortgagee.

Section 7. Interpretation. If this Declaration or any word, clause, sentence, paragraph, or other part thereof shall be susceptible of more than one or conflicting interpretations, then the interpretation which is most nearly in accord with the general purposes and objectives of this Declaration shall govern.

Section 8. Omissions. If any punctuation, word, clause, sentence, or provision necessary to give meaning, validity, or effect to any other word, clause, sentence, or provision appearing in this Declaration shall be omitted herefrom, then it is hereby declared that such omission was unintentional and that the omitted punctuation, word, clause, sentence, or provision shall be supplied by inference.

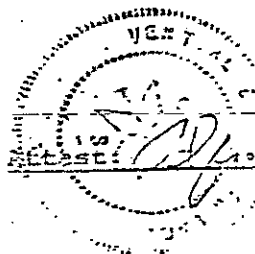
Section 9. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

ARTICLE XII

Lienholders

Continental Bank, a corporation organized under the laws of the State of Texas, with its banking quarters located in Houston, Texas, the owner and holder of the sole lien covering Phase II West, and The First National Bank of Memphis, a national banking association, with its banking quarters located in Memphis, Tennessee, the owner and holder of the sole lien covering Phase II, have executed this Declaration to evidence their joinder in, consent to and ratification of the imposition of the foregoing covenants, conditions and restrictions.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein and the Lienholders, have executed this Declaration to be effective the 22 day of JULY, 1973.



VENTURE 80 HOMES, INC.

BY:

Secretary

President

DECLARANT

CONTINENTAL BANK

Attest: Wells Holt
Assistant Cashier

BY Wells Holt
Vice-President

Attest: Wells Holt
Loan Officer

THE FIRST NATIONAL BANK OF MEMPHIS
BY Wells Holt
Assistant Vice-President

LIENHOLDERS

THE STATE OF TEXAS §
COUNTY OF HARRIS §

BEFORE ME, the undersigned

authority on this day personally appeared Jerry M. Baker
President of VENTURE 80 HOMES, INC.,
known to me to be the person whose name is subscribed to the
foregoing instrument and acknowledged to me that he executed
the same for the purposes and consideration therein expressed,
in the capacity therein stated and as the act and deed of said
corporation.

GIVEN under my hand and seal of office, this the 13th
day of July, 1973.

Walter E. Under
Notary Public in and for Harris
County, Texas

THE STATE OF TENNESSEE §
COUNTY OF Shelby §

BEFORE ME, the undersigned

authority on this day personally appeared Deane Brasher
President Vice President of THE FIRST NATIONAL BANK
OF MEMPHIS, known to me to be the person whose name is subscribed
to the foregoing instrument and acknowledged to me that he executed
the same for the purposes and consideration therein expressed, in
the capacity therein stated and as the act and deed of said
corporation.

GIVEN under my hand and seal of office, this the 20
day of July, 1973.

Deane M. Bell
Notary Public in and for
Shelby County, Tennessee

My Commission Expires September 17, 1975

1973 JUL 26 AM 10 47

L010967

075-70-0173

AMENDMENTS TO BYLAWS OF NORTHBROOK NORTH TOWNHOUSE
ASSOCIATION, INC.

The following Articles of the Bylaws of Northbrook North Townhouse Association, Inc. were amended to read as follows at a general meeting of the membership duly called for this purpose and held on January 26, 1987. In accordance with Article XII., Section 1 of the Bylaws, a majority of a quorum present in person or by proxy voted for these amendments.

Article IV. Sec. 1 was amended to read:

ARTICLE IV. Section 1. Board of Trustees. The affairs of the Association shall be managed by a Board of not less than five (5) Trustees, each of whom must be a member of the Association. The number of Trustees may be increased or decreased from time to time by amendment of the Bylaws in accordance with Article XII.

Article IV. Section 3 was amended to read:

ARTICLE IV. Section 3. Nomination. Nominations for election to the Board of Trustees shall be made by a Nominating Committee. Nominations may not be made from the floor at the annual meeting unless, at the time of the annual meeting, there are a greater number of vacancies than nominations which have been made by the Nominating Committee and accepted by a member in good standing; in such instances, nominations may be made from the floor at the annual meeting. The Nominating Committee shall be appointed by the Board of Trustees at least 30 days prior to the scheduled date of the annual meeting and will furnish in writing to the Board of Trustees at least 30 days prior to the scheduled date of the annual meeting its list of members who have been nominated and have accepted said nomination. No nominations will be accepted after the Nominating Committee provides the Board of Trustees with its list of candidates unless otherwise provided herein. The Nominating Committee shall make as many nominations for election to the Board of Trustees as it shall in its discretion determine, but not less than one more than the number of vacancies that are to be filled. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Trustees, and two or more other members of the Association.

A member in good standing with the Association may nominate a member in good standing for any vacancy on the Board of Trustees. A member may only be nominated for one vacancy. Such nominations shall be made in writing to the Nominating Committee or to the Board of Trustees. Nominees must be members in good standing as of the first day of the month in which the annual meeting is scheduled. A member is considered to be in good standing with the Association so long as all assessments, costs, and/or fees have been paid in full as set forth herein.

I hereby certify that I am the duly elected Secretary of Northbrook North Townhouse Association, Inc. and hereby affix my signature hereto in certification of the approval of these amendments to the Bylaws of Northbrook North Townhouse Association, Inc. on this 27th day of January 1987.

Mabel Coletti
Mabel Coletti

BEFORE ME, the undersigned authority on this day personally appeared Mabel Coletti known to me to be the person whose name is subscribed to the foregoing instrument of writing, and acknowledged to me that she executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 4 day of March, 1987.

075-70-0174
4410-0174

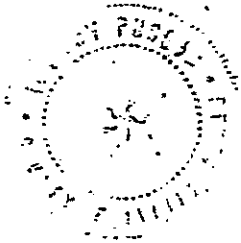
THE STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned

authority on this day personally appeared James J. Hight
Vice President of Continental Bank,
known to me to be the person whose name is subscribed to the fore-
going instrument and acknowledged to me that he executed the same
for the purposes and consideration therein expressed, in the
capacity therein stated and as the act and deed of said
corporation.

GIVEN under my hand and seal of office, this the 26th
day of July, 1973.



Marcella L. Brown
Notary Public in and for
Harris County, Texas

100-77-001

NORTHBROOK NORTH TOWNHOUSE ASSOCIATION, INC.

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BYLAWS
OF
NORTHBROOK NORTH TOWNHOUSE ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is Northbrook North Townhouse Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 6402 Bankside, Houston, Texas 77035, but meetings of members and trustees may be held at such places within the State of Texas, County of Harris, as may be designated by the Board of Trustees.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Northbrook North Townhouse Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Properties" shall mean all property owned by the Association for the common use and enjoyment of its members.

Section 4. "Lot" shall mean and refer to that portion of any Building Site shown upon any recorded subdivision map of the Properties on which there is or will be constructed a single family residential unit ("townhouse").

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of any obligation.

Section 6. "Declarant" shall mean and refer to Venture 80 Homes, Inc., the Declarant in the Declaration, and its successors and assigns if such successors and assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to Phase II of NORTHBROOK VILLAGE Planned Unit Development Section One (1), and Phase II West of NORTHBROOK VILLAGE Planned Unit Development Section One (1), residential subdivisions in Harris County, Texas.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Articles of Incorporation of the Association.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The regular annual meeting

of the members of the Association shall be held on the third Wednesday in January of each year beginning in 1975, at 10:00 a.m. at the principal office of the Association or at such other time or place as determined by the Board of Trustees. If such date for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. The failure to hold the regular annual meeting at the designated time shall not work a dissolution of the Association.

Section 2. Special meetings. Special meetings of the members may be called at any time by the President or by the Board of Trustees, or upon the written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or the person authorized to call the meeting, by mailing a copy of such notice, postage paid, at least fifteen (15) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-fifth

(1/5) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE IV

BOARD OF TRUSTEES

Section 1. Board of Trustees. The affairs of this Association shall be managed by a Board of not less than five (5) Trustees, who need not be members of the Association. The number of Trustees may be increased or decreased from time to time by amendment of the Bylaws in accordance with Article XIII.

Section 2. Term of office. The initial trustees for the Association set forth in the Articles of Incorporation shall hold office until the 1975 annual meeting. At the annual meeting of 1975, the members shall elect one trustee for a term of one year, two trustees for a term of two years and two trustees for a term of three years; at each annual meeting thereafter the members shall elect that number of trustees equal to the number

of trustees whose terms expire at such time for a term of three years.

Section 3. Nomination. Nomination for election to the Board of Trustees shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Trustees, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Trustees prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Trustees as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or nonmembers.

Section 4. Election. Election to the Board of Trustees shall be by secret written ballot. At such election the members or their proxies may cast, in respect of each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting shall not be permitted.

Section 5. Removal. Any trustee may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a trustee, his successor shall be selected by the re-

maining members of the Board and shall serve for the unexpired term of his predecessor.

Section 6. Compensation. No trustee shall receive compensation for any service he may render to the Association; provided, however, any trustee may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 7. Action taken without a meeting. The trustees shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the trustees. Any action so approved shall have the same effect as though taken at a meeting of the trustees.

ARTICLE V

MEETINGS OF TRUSTEES

Section 1. Regular meetings. Regular meetings of the Board of Trustees shall be held semi-annually without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. The failure to hold any regular meeting shall not work a dissolution of the Association nor impair the powers, rights and duties of the Association's officers and trustees.

Section 2. Special meetings. Special meetings of the Board of Trustees shall be held when called by the president of the Association or by any trustee after not less than three (3)

days notice to each trustee, which notice may be waived at or prior to such meeting.

Section 3. Quorum. A majority of the number of trustees shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the trustees present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF TRUSTEES

Section 1. Powers. The Board of Trustees shall have power to:

(a) Suspend the voting rights and right to the use of any facilities or services provided by the Association of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;

(b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(c) declare the office of a member of the Board of Trustees to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Trustees; and

(d) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties and the terms of employment or services. .

Section 2. Duties. It shall be the duty of the Board of Trustees to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) to fix the amount of the annual assessment against properties subject to the jurisdiction of the Association and to take such actions as it deems appropriate to collect such assessments and to enforce the liens given to secure payment thereof;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain such liability and hazard insurance as it may deem appropriate on any property or facilities

owned by the Association; and

(f) cause any officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

ARTICLE VII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of offices. The officers of this Association shall be a president, who shall be at all times a member of the Board of Trustees; a vice-president; a secretary; and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of officers. The election of officers shall take place at the first meeting of the Board of Trustees following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall

take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple offices. No person shall simultaneously hold more than one office except the office of vice-president, secretary, treasurer and/or special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers of the Association are as follows:

(a) President. The president shall preside at all meetings of the Board of Trustees and of the Association; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) Vice-President. The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of

the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Trustees; shall sign all checks and promissory notes of the Association; keep proper books of account; and keep accurate books and records of the fiscal affairs of the Association and make the same available for inspection by members of the Association during normal business hours.

ARTICLE VIII

COMMITTEES

The Association shall appoint a Nominating Committee, as provided in these Bylaws. The Board of Trustees shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE IX

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times during reasonable business hours be subject to inspection by any member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available

for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE X

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay the Association certain annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. In the event a member's assessment is delinquent, he and members of his immediate family residing with him and his guests may be denied use of any recreational common facility of the Common Properties. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six percent (6%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of any of the facilities or services provided by the Association or by abandonment of his Lot.

ARTICLE XI

CORPORATE SEAL

The Association shall have a seal in circular form having

within its circumference the name of the Association and the word "Texas".

ARTICLE XII

AMENDMENTS

Section 1. Amendment. These Bylaws may be amended at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 2. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIII

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of Northbrook North Townhouse Association, Inc., a Texas non-profit corporation, and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted by the unanimous written consent of the Board of Trustees in lieu of an organization meeting pursuant to Articles 1396-3.05 and 1396-9.10 of the Texas Non-Profit Corporation Act, effective on the 12th day of July, 1973.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association on this 2 day of August, 1973.

Alfred B. Dishman Jr.
Secretary

