

## AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF

BELLAGO (Colony Place, Section 2)

THE STATE OF TEXAS

COUNTY OF MONTGOMERY

On February 28, 2006, MEMO EXPRESS, LLC, filed for record its "Declaration of Covenants, Conditions and Restrictions" for BELLAGO, under File Number 2006-020550, in the Real Property Records of Montgomery County, Texas. On October 20, 2006, MEMO EXPRESS, LLC, filed for record its "CORRECTED DECLARATION of COVENANTS, CONDITIONS and RESTRICTIONS of BELLAGO (Colony Place, Section 2), under File Number 2006-020550, in the Real Property Records of Montgomery County, Texas.

MEMO EXPRESS, LLC, (hereinafter referred to as Declarant), desires to amend said Declaration and in accordance with the provisions of Section 9.3 thereof, and as owner in excess of 75% of the Lots in BELLAGO, such Declaration is hereby amended as follows:

WHEREAS, it is the desire of Declarant as the owner of the herein described property, to place certain restrictions, covenants, conditions, stipulations and reservations upon and against the herein described property in order to establish a uniform plan for the development, improvement and sale of such property, and to insure the preservation of such uniform plan for the benefit of both the present and future owners of the townhome lots erected on such property.

NOW, THEREFORE, Declarant hereby adopts, establishes and imposes the matters set forth below upon the herein described property, and declares the following reservations, easements, restrictions, covenants and conditions, applicable thereto, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the herein described property, which reservations, easements, covenants, restrictions and conditions shall run with the land comprising such property and shall be binding upon all parties having or acquiring any right, title or interest therein, or any part thereof, and shall inure to the benefit of each owner thereof.

## ARTICLE I

## Definitions

Section 1.1 "Association" shall mean and refer to the BELLAGO COMMUNITY IMPROVEMENT ASSOCIATION, a Texas non-profit corporation, its successors and assigns, as provided for in ARTICLE VI hereafter.

Section 1.2 "Common Area" shall mean all of the property comprising BELLAGO, other than the Lots, as shown on the Subdivision Plat and the area shown on the attached plat, marked with single hatching.

Section 1.3 "Lot" and/or "Lots" shall mean and refer to the Lots shown upon the Subdivision Plat, except for the Lots shown as Block 7 and the area marked on the attached plat with single-hatching; which Declarant reserves for uses other than residential and as may indicated on the Subdivision Plat.

Section 1.4 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot, but excluding those having such interest merely as security for the performance of an obligation and those having an interest only in the mineral estate of such Lot.

Section 1.5 "Property" shall mean and refer to Colony Place, Section 2, a subdivision in Montgomery County, Texas, according to the map or plat thereof recorded in Plat Cabinet 1, Sheet 159B of the Condominium Records of Montgomery County, Texas.

Section 1.6 "Subdivision Plat" shall mean and refer to the map or plat of BELLAGO, recorded in Plat Cabinet I Sheet 84-A of the Map Records of Montgomery County, Texas.

Section 1.7 "Townhouse" shall mean a single family dwelling, subject to recorded set back line restrictions, that must be built to each side lot line.

Section 1.8 Architectural Control Committee shall mean the architectural control committee formed and operated under the auspices of BELLAGO COMMUNITY IMPROVEMENT ASSOCIATION.

## ARTICLE II

### Restrictions, Exceptions and Dedications

Section 2.1 Subdivisions Plat. All dedications, limitations, restrictions and reservations shown on the Subdivision Plat are incorporated herein and made a part hereof as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant conveying the Property or any part thereof, whether specifically referred to therein or not.

Section 2.2 Easements. Declarant reserves the easements shown on the Subdivision Plat for the purpose of constructing, maintaining and repairing a system or systems of electric lighting, electric power, telegraph and telephone line or lines, gas, sewers, cable television or any other utility Declarant sees fit to install in, across and/or under the Property.

Section 2.3 No Liability. Neither Declarant nor any utility company using the easements herein referred to shall be liable for any damages done by them or their assigns, agents, employees or servants, to fences, shrubbery, trees, flowers or any other property of the Owner situated on the land covered by said easements.

Section 2.4 No Interest in Utility Facility. It is expressly agreed and understood that the title conveyed by Declarant to any Lot or parcel of land within the Property by contract, deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph or telephone purposes and shall convey no interest in any pipes, lines, poles, conduits or any other utility facility or appurtenance thereto constructed by or under Declarant or any easement owner or their agents through, along or upon the premises affected thereby, or any part thereof, to serve said land or any other portion of the Property.

## ARTICLE III

### Property Rights

Section 3.1 Owners' Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, and such easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to make rules and regulations regarding use of the Common Area and to limit the number of guests of Owners;

(b) The right of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated upon the Common Area;

c) The right of the Association, in accordance with its Articles of Incorporation and By-Laws, to borrow money for the purpose of improving the Common Area and facilities, and in aid thereof to mortgage said property, and the rights of such mortgagee in said property shall be superior to the rights of the Owners hereunder;

(d) The right of the Association to suspend the voting rights of an Owner and right of an Owner to use the recreational facilities as may be located on the Property for any period during which such Owner is in default of any provisions of this Declaration and for any infraction of its published rules and regulations;

(e) The right of the Association to dedicate or transfer with the written consent of all purchase money leaseholders, if any, all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Owners of seventy-five percent (75%) of the Lots. No such dedication or transfer shall be effective unless an instrument signed by the Owners of seventy-five percent (75%) of the Lots has been recorded, agreeing to such dedication or transfer; and

(f) The rights of any parties under any instruments previously filed for record in the office of the County Clerk of Montgomery County, Texas.

(g) The right of the Declarant and/or Association to convey, lease, permit or otherwise allow the owners and guests of units of Colony Place Condominiums, Section 1, the right to jointly use, enjoy and share the parts of the Common Area shown on the attached plat, marked with cross-hatching.

(h) The reservation by Declarant of the area marked on the attached plat with single-hatching; for uses other than residential and as may indicated on the Subdivision Plat.

**Section 3.2 Delegation of Use.** Any Owner may delegate his right of enjoyment to the Common Area and facilities to the members of his family, his tenants or contract purchasers who reside in BELLAGO, subject to such rules and regulations as may from time to time be promulgated by the Association.

**Section 3.3 Title to the Common Area.** Declarant hereby covenants for itself, its successors and assigns, that it will convey or cause to be conveyed, title to the BELLAGO Common Area to the Association provided, however, any such conveyance shall be subject to Declarant's reservation of the easements set forth herein and all other matters of record. Subject to the provisions of subsection 3.2 (e) above, the BELLAGO Common Area shall remain undivided, and shall at all times be controlled by the Association or its successors, it being agreed that this restriction is necessary in order to preserve the right of each Owner with respect to the operation and management of the BELLAGO Common Area.

**Section 3.4 Easement for Encroachment.** Each Lot and the property included in the Common Area shall be subject to an easement for encroachments created by construction, settling and overhangs presently situated on the Property, and an easement for said encroachments is hereby created.

**Section 3.5 Easement for Maintenance.** Reciprocal easements over and in favor of each Lot are hereby created and shall exist for the purpose of maintenance, repair and support of the Townhouse structures. In the event any Townhouse is partially or totally destroyed and then rebuilt, the Owners agree that minor encroachments of parts of the adjacent Townhouse units or Common Area due to construction shall be permitted and that a valid easement for such encroachments shall exist.

## ARTICLE IV

### Use Restrictions

**Section 4.1 Land Use and Building Type.** Each Lot shall be used only for single family residential purposes. No structure shall be erected, altered, placed or be permitted to remain on any Lot other than a Townhouse not to exceed a height of two stories. No Lot may be used for duplex houses, garage apartments or apartment houses, and no Lot shall be used for business or professional purposes of any kind, except that a Townhouse may be built for the purpose of leasing the same for residential occupancy, nor for any commercial or manufacturing or other nonresidential purposes. No building of any kind or character shall ever be moved onto any Lot within the Property, it being intended that only on-site construction shall be placed or erected thereon. However, Declarant shall have the right, during the construction and sales period, to use facilities as may be reasonably necessary or convenient for its business purpose of constructing and selling units on the Property.

**Section 4.2 Architectural Control.** No building shall be erected, placed or altered on any Lot until the construction plans and specifications and a plot plan showing the location of the structure thereon have been approved by the Association's Architectural Control Committee Association and Declarant, as provided in Section 5.1

**Section 4.3** The total living area of the main residential structure of any Townhouse, exclusive of open porches, garages and/or carports, shall be not less than 1250 square feet.

#### **Section 4.4 Type of Construction, Materials and Landscape.**

(a) No external roofing material other than 25 year composition shingles shall be constructed or used on any building in any part of the Property without the written approval of the Association and the Association.

(b) No window or wall-type air conditioners shall be permitted to be used, erected, placed or maintained on or in any building in any part of the Property.

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

(d) Before any landscaping shall be done in the front of any newly constructed dwelling or on the Common Area, the landscape layout and plans shall have been first approved by the Architectural Control Committee. Such landscaping shall be installed or placed in the Common Area and on the front of the Lots at the time the dwelling is being completed and before occupancy.

**Section 4.5 Building Location.** No building shall be located on any Lot except a Townhouse which shall be constructed in such a manner as will create the appearance of attached row houses with no visible open space between houses on adjoining lots. If party walls are not used, then the exterior of the side walls shall not be more than 2 inch from the dividing line between Lots to create the appearance of attached or row houses, and the space between houses at the front and rear elevations shall be caulked or sealed with suitable material so that there shall be no visible open space between houses. The tops of exterior walls must be capped to prevent water from falling between the houses.

Party walls as part of the original construction shall be of frame wall construction [similar to UL #U340, one hour fire rated, (STC 50-55)], shall be structurally sound and shall be subject to the approval of the Association's Architectural Control Committee.

The center line of each party wall shall be placed on the dividing line between Lots, and to the extent not inconsistent with any of the provisions hereof, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. If a wall which is intended as a party wall is through construction error situated wholly on one Lot instead of on the dividing line between Lots, such wall shall nevertheless be deemed a party wall for joint use by adjoining Lot owners. Each owner sharing a party wall also shall be deemed to covenant and agree and shall be bound as follows:

(a) The cost of reasonable repairs and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

(b) 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 the adjoining Owner thereafter shall make use of the wall, he shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such Owner restoring such party wall to call for a larger contribution from the adjoining Owner under the rules of law regarding liability for negligence or willful acts or omissions.

(c) Notwithstanding any other provisions of this section, an Owner who by his negligence or willful act causes a party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

(d) The right of any Owner to contribution from any adjoining owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors in title.

Notwithstanding any other provision of this Declaration (including, but not limited to Paragraph 4.2 above) and/or the Subdivision Plat, the Declarant and/or the Association may, by express written permission, allow any building to be constructed closer to the front and rear lot lines than permitted by the building set back lines, shown on the Subdivision Plat. Other than this specific right for the Declarant and/or the Association to give express written permission to allow any building to be constructed closer to the front and rear lot lines than permitted by the building set back lines, shown on the Subdivision Plat, all building, additions and improvements of any kind shall be subject to the approval of the Architectural Control Committee.

**Section 4.6 Minimum Lot Area.** Lots may not be resubdivided without the express written permission of the Association, nor shall any building be erected or placed on any Lot having a width of less than twenty three feet (23').

**Section 4.7 Annoyance or Nuisances.** No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done thereon which may become an annoyance to the neighborhood. The display or shooting of firearms, fireworks or firecrackers is expressly forbidden.

**Section 4.8 Temporary Structures.** No structure of a temporary character, whether trailer, basement, tent, shack garage, barn or other outbuilding shall be maintained or used on any Lot at any time as a residence, or for any other purpose, either temporarily or permanently. No boat trailers, boats, travel trailers, inoperative automobiles, campers, vehicles of any kind or portable buildings are to be permanently or semipermanently stored in the public street right-of-way or on driveways or in parking areas, except that the privately-owned automobile of a Lot owner may be stored on the parking space designated for such Lot.

However, Declarant shall have the right during the construction and sales period, to construct and maintain such facilities as may be reasonably necessary or convenient for its business of constructing and selling units on the Property, including, but not limited to, offices and storage areas.

**Section 4.9 Signs and Billboards.** No signs, billboards, posters or advertising devices of any character shall be erected, permitted or maintained on any Lot without the prior written consent of the Declarant, the Association and the Association. Declarant, the Association and the Association and their

respective agents shall have the right to enter upon any lot and to remove any sign not complying with the above restriction and, in so doing, shall not be liable and are expressly relieved from any liability for trespass or other tort in connection therewith or arising from such removal. The right is reserved by Declarant, the Association and their respective agents to construct and maintain such signs, billboards or advertising devices as is customary in connection with the general sale of property, including Lots.

**Section 4.10 Oil and mining Operations.** No oil drilling or development operation, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

**Section 4.11 Storage and Disposal of Garbage and Refuse.** No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste materials shall not be kept except in sanitary containers constructed of metal, plastic or masonry materials with sanitary covers or lids. Equipment for the storage or disposal of such waste materials shall be kept in clean and sanitary condition. No Lot shall be used for the open storage of any materials whatsoever, which storage is visible from the street or golf course, except that new building materials used in the construction or repair of improvements erected upon any Lot may be placed upon such Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction or repair progresses without undue delay, until the completion thereof, after which these materials shall either be removed from the Lot or stored in a suitable enclosure on the Lot.

**Section 4.12 Utility Easements.** The utility easement areas shown on the Subdivision Plat may be cleared and kept clear by any utility of all trees, bushes and other growth, including overhanging branches from trees or protrusions from structures located on adjacent property, without payment by such utility for such clearance, cutting or trimming.

**Section 4.13 Underground Electric Distributions System.** It is understood and agreed that only underground electrical service (except for temporary overhead service for construction purposes) will be available from the local electric utility in BELLAGO, and that such service will be from the installed underground electric system, and all owners agree that only underground electric service at 120/240 volts, single phase, three wire, will be available for Lots. The locked rotor current of any motor connected to this service will be limited in accordance with the standard services practices of the local electric utility. No above surface electric service wires will be installed outside of any structure. Individual underground electric service drops will extend through and under Lots in order to serve the residence thereon at locations satisfactory to the local electric utility. Owners shall ascertain the location of said service drops and keep the area over the route of said service drops free of excavations and clear of structures, trees and other obstructions. The local electric utility may install, maintain, repair replace and remove said underground service drops, and open the ground for any such purpose or purposes, and no payment will be due or made by any utility for such use or activity.

**Section 4.14 Walls, Fences and Hedges.** No walls, fences or hedges shall be erected or maintained on the Property without the prior written approval of the Association. All walls and fences on any Lot must be approved in writing by the Association. Any wall, fence or hedge erected as a protective screening on a Lot by Declarant or Declarant's predecessors in title to the Property shall pass ownership with title to the Lot and it shall be the Owner's responsibility to maintain said protective screening thereafter. In the event of default on the part of the Owner or occupant of any Lot in maintaining said protective screening and such failure continuing after ten (10) days' written notice thereof, the Association or its assigns may, at their option, without liability to the Owner or occupant in trespass or otherwise, enter upon said Lot and cause said protective screening to be repaired or maintained or to do any other thing necessary to secure compliance with these restrictions, so as to place said protective screening in a satisfactory condition and may charge the Owner or occupant of such Lot for the cost of such work. The Owner or occupant, as the case may be, agrees by the purchase or occupancy of the property to pay such statement immediately upon receipt thereof.

**Section 4.15 Lot Maintenance.** Each Owner shall maintain his Lot and Townhouse located thereon except as otherwise provided herein. The Owners or occupants of all Lots shall at all times keep all weeds and grass thereon cut in a sanitary, healthful and attractive manner and shall maintain all bushes, shrubs and flower beds and shall in no event use any Lot for storage of materials and equipment except for normal residential requirements or, incident to construction of improvements thereon herein permitted or permit the accumulation of garbage, trash or rubbish of any kind thereon and shall not burn anything (except by use of an incinerator and then only during such hours as permitted by law). The drying of clothes in public view also is prohibited, No Owner or occupant of any Lot shall maintain any yard equipment, wood piles or storage piles that are visible to full public view unless the same are situated behind a suitable enclosure. In the event of any default on the part of an Owner or occupant of any Lot in observing any of the above requirements that continues for ten (10) days after written notice thereof, the Association or its assigns may, at their option without liability to the Owner or occupant in trespass or otherwise, enter upon said Lot and cause to be cut weeds and grass and remove or cause to be removed such garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions so as to place said Lot in a neat, attractive, healthful and sanitary condition and may charge the Owner or occupant of such Lot for the cost of such work. The Owner or occupant, as the case may be, agrees by the purchase or occupancy of such Lot to pay such charge immediately upon receipt of a statement of such charge.

**Section 4.16 Common Area.** The maintenance and operation of the Common Area shall be the responsibility of the Association.

**Section 4.17 Use, of Common Area.** Subject to Section 3.1 (g) and (h) above, the Common Area (other than the utility areas which will be regulated as to use by the Association) shall not be used for storage of supplies, personal property or trash or refuse of any kind, except common trash receptacles placed at the discretion of the Association. Regulations concerning the use of the Common Area shall be promulgated by the Board of Directors of the Association and such regulations shall be binding on all Owners unless duly amended by the Board of Directors or by a majority of the Owners after they have acquired voting rights in accordance with Section 6.3 hereof.

**Section 4.18 Maintenance and Repair of Buildings.** All Townhouses in BELLAGO, shall be maintained and repaired by its respective Owner. The Association shall not be responsible for maintenance and/or repairs of the Townhouses. Each Owner shall be responsible for and shall maintain the condition of their Townhouse in a reasonably acceptable manner and shall promptly cause to be made repairs of their respective Townhouse in a good and workmanlike manner and in accordance with the original plans and specifications for such Townhouse. In the event any such Owner shall fail or refuse to maintain and/or repair their Townhouse within thirty (30) days after notification by the Association is hereby irrevocably authorized by such Owner to undertake the necessary maintenance and/or make such repairs. The Association may, but is not required to undertake such maintenance and/or make such repairs. If the Association performs maintenance and/or makes repairs, the Owner of the Townhouse shall promptly repay the Association for all amounts expended in maintaining the Townhouse and/or making such repairs and the Association shall have a lien to secure payment thereof in like manner as the lien to secure payment of the assessments provided for Article VII.

There is hereby reserved in favor of the Association and the Association the right to enter upon all of the Lots and buildings located thereon, at reasonable hours and upon reasonable notice to the Owners of such Lots, for the purpose of conducting a periodic inspection of the Townhouses.

**Section 4.19 Management Agreements.** Each Owner of a Lot 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 the same may be cancelled by an affirmative vote of the Owners of seventy-five percent (75%) of the Lots. Any and all management agreements shall be made with a professional, responsible party or parties having experience adequate for the management of a project of this type. Such party or parties may not be Owners.

**Section 4.20 Unlicensed Motor Vehicles.** No unlicensed motor vehicles shall be allowed on the Property. No motor bikes, motorcycles, motor scooters or other vehicles of that type shall be permitted in on the Property if such vehicles are a nuisance by reason of noise or manner of use, in sole judgment of either the Association or the Association.

**Section 4.21 Pets.** No horses, cows, hogs, poultry or livestock of any kind (excepting cats, dogs, fish, birds and other common house pets of reasonable kind and number) may be kept on any Lot. Should such pets become a nuisance in the opinion of the Association, they must be removed from the premises. No pets are to run at large.

**Section 4.22 Drainage.** Natural drainage of streets, Lots or roadway ditches will not be impaired by any person or persons. The breaking of curbs for drive installations is not necessary and is not permitted.

**Section 4.23 Existing Construction.** Notwithstanding anything to the contrary set forth in this Article IV, the buildings and swimming pool and fences constructed upon the Property prior to, the recordation hereof shall not be subject to the approval of the Association, and such buildings, swimming pool and fences shall be conclusively deemed to be in full compliance with the provisions hereof. The foregoing shall not, however, constitute a waiver of the provisions hereof as they pertain to any activities conducted upon the Property or to any future construction on the Property.

## ARTICLE V

### Architectural Control

**Section 5.1 Approval of Building Plans.** No building shall be erected, placed or altered on any Lot until the construction plans and specifications and a plot plan showing the location of the structure have been approved in writing as to harmony of exterior design and color with existing structures, as to location with respect to topography and finished ground elevation, and as to compliance with minimum construction standards by the Association. A copy of the construction plans and specifications and a plot plan, together with such other information as may be deemed pertinent by the Association or the Association or Declarant, shall be submitted to the Association and to the Association and to Declarant, or their designated representatives, prior to commencement of construction. The Association and/or the Association and/or Declarant may require the submission of such plans, specifications and plot plans, together with such other documents as it deems appropriate, in such form and detail as it may elect at its sole discretion. In the event either the Association or the Association or Declarant fails to approve or disapprove such plans and specifications within thirty (30) days after the same are submitted to the respective entity, such plans and specifications will be deemed to have been approved by such entity, provided that such plans and specifications do not contemplate any construction that otherwise would violate the provisions hereof.

**Section 5.2 Minimum Construction Standards.** The Association may from time to time promulgate outlines of minimum acceptable construction standards; provided, however, that such outline will serve only as a minimum guideline and the Association shall not be bound thereby.



## ARTICLE VI

### Association

**Section 6.1 Nonprofit Association.** Declarant has caused or shall cause a nonprofit Association to be organized under the Texas Non-Profit Association Act for the purpose of administering the operation and maintenance of the Common Area and performing the other functions and duties herein delegated to the Association.

**Section 6.2 Membership.** Every person or entity who is an Owner of any of the Lots shall be a member of the Association. The foregoing does not include persons or entities who hold an interest merely as security for the performance of an obligation or those having an interest in only the mineral estate. Membership shall be appurtenant to and may not be separated from ownership of the Lot or Lots. Ownership of such Lot or Lots shall be the sole qualification for membership.

**Section 6.3 Voting Rights.** Declarant shall have one vote for each Lot of which it is the Owner. Until the time hereinafter specified, no Owner (other than Declarant) shall have any voting rights on any matter relating to the organization or management of the affairs of the Association, except as to those matters required by the express terms of either the Articles of Incorporation or Bylaws of the Association or this Declaration to be presented to the Owners. However, after such time as seventy five percent (75%) in number of the Lots have been conveyed by the Declarant by deeds duly recorded in the Office of the County Clerk of Montgomery County, Texas, each Owner (including Declarant) shall thereafter be entitled to one vote for each such Lot in which they hold the interest required for membership under Section 6.2. When more than one person holds such interest in any Lot, all such persons shall be Owners, 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 one Lot. The Board of Directors of the Association may make such regulations consistent with the Articles of Incorporation of the Association and with this Declaration as it deems advisable for any meetings of Owners in regard to proof of membership in the Association, evidence of right to vote, the appointment and duties of inspectors of votes, registration of Owners for voting purposes and such other matters concerning the conduct of meeting and voting as it shall deem proper.

**Section 6.4 Board of Directors.** All of the affairs, policies and regulations of the Association shall be administered by the Board of Directors of the Association, which Board of Directors shall consist of not less than three (3) directors.

**Section 6.5 Qualifications of Directors.** After such time as Owners are entitled to general voting rights, as provided for in Section 6.3 hereof, each member of the Board of Directors of the Association must be an Owner, except for designated representatives of the Declarant or any other Owner that is not a natural person, which representatives may be elected to membership on such Board of Directors. Prior to such time, being an Owner shall not be a requisite to serving on the Board of Directors of the Association.

**Section 6.6 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 6.7 Inspection of Records.** The Owners shall have the right to inspect the books and records of the Association at reasonable times during normal business hours.

**Section 6.8 Maintenance Assessment.** Throughout the term hereof and any renewals of the term hereof, each Lot is hereby subjected to an annual maintenance charge and assessment for the purpose of creating a fund to be designated and known as the "Townhouse Fund," which maintenance charge and assessment will be paid by the owner or Owners of each Lot. The rate at which each Lot will be assessed will be determined annually, and may be adjusted from year to year by the Association as the needs of the Property may, in the good-faith judgment of the Association, require; provided, however, that such assessment will be uniform. Each such assessment, together with the interest thereon and the costs and

attorneys' fees incurred by the Association in connection with the collection thereof (all as hereinafter provided for) shall be secured by the vendor's lien provided for in Article VII and also shall be the personal obligation of the Owner of the applicable Lot at the time the assessment falls due. The personal obligation for such sums shall not, however, pass to such Owner's successors in title unless expressly assumed by each such successor.

**Section 6.9 Purpose of Maintenance Assessment.** The Association shall use the proceeds of the Townhouse Fund for the use and benefit of all residents of BELLAGO. The uses and benefits to be provided by the Association shall include, by way of clarification and not limitation and at the sole option of the Association, any and all of the following: illuminating and maintaining the Common Area and, subject to the provisions of Section 4.17, above, the exterior of the Townhomes, payment of all legal and other expenses incurred in connection with the enforcement of all charges and assessments, covenants, restrictions and conditions affecting the Property, payment of all reasonable and necessary expenses in connection with the collection and administration of the maintenance charge and assessment and doing any other thing or things necessary or desirable in the opinion of the Association to keep the Common Area neat and in good order, or which is considered of general benefit to the Owners or occupants of the Property, it being understood that the judgment of the Association in the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith.

**Section 6.10 Special Assessments for Capital Improvements.** In addition to the annual assessment 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, unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto. Any such special assessment shall require the consent of the Owners of at least seventy-five percent (75%) of the Lots at a meeting duly called for such purpose, written notice of which shall be sent to all Owners not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, setting forth the purpose of the meeting.

**Section 6.11 Date of Commencement of Annual Assessments.** The Association shall fix the date of commencement and amount of the annual assessment 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. The due dates shall be established by the Board of Directors of the Association and, unless otherwise provided, the Association shall collect annually from the Owner of each Lot, the annual assessment for such Lot. The Association shall upon demand at any time furnish a certificate in writing, setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Association for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

**Section 6.12 Effect of Nonpayment of Assessments; Remedies of the Association.** If any assessment provided for in this Article VI 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 ten percent (10%) per annum and the Association may bring an action at law against the owner personally obligated to pay the same to recover the amount of the delinquent account, together with all accrued interest thereon and all costs and reasonable attorneys' fees incurred by the Association in connection with the collection thereof. Additionally, the Association shall have the right to foreclose the lien securing such assessment against the subject Lot, as hereinafter provided for. Each Owner, by his acceptance of a deed to a Lot, hereby expressly grants to the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges and to enforce the hereinafter described lien by all methods available for the enforcement of such lien.

**Section 6.13 Special Provisions Regarding Declarant.** Notwithstanding anything to the contrary set forth herein, until such time as seventy-five percent (75%) in number of the Lots have been conveyed by the Declarant by deeds duly recorded in the Office of the County Clerk of Montgomery County, Texas, the Lots owned by Declarant shall not be subject to the maintenance charges and assessments or special assessments provided in this Article VI. At anytime prior to such conveyance of 75% of the Lots by the

Declarant, the Declarant, by written instrument filed in the Official Public Records of Real Property of Montgomery County, Texas, may waive the provisions of the first sentence of this Section 6.13 and subject the remaining Lot or Lots owed by Declarant to the maintenance charges and assessments or special assessments provided in this Article VI

## ARTICLE VII

### Lien to Secure Maintenance Charge

Section 7.1 Lien. To secure the payment of the maintenance charges, assessments and special assessments established hereby and to be levied on the Lots, together with the interest thereon and attorneys, fees and costs incurred in connection with the collection thereof, all as hereinabove provided for, and to secure the obligation of each Owner to obtain insurance coverage on each Townhouse owned by such Owner, as set forth in Article IX hereof, there shall be reserved in each Deed (whether specifically stated therein or not) by which the Declarant shall convey such Lots, vendors' liens of equal dignity for benefit of the Association, said liens to be enforceable through appropriate proceedings at law by each such beneficiary; provided, however, that each such lien shall be secondary, subordinate and inferior to any liens, present and future, given, granted and created by or at the instance and request of the Owner of any such Lot to secure the payment of monies advanced or to be advanced on account of the purchase of a Lot, a Lot and improvements and/or the construction of improvements on any such Lot to the extent of any such maintenance fund charge accrued and unpaid prior to foreclosure of any such purchase money lien or construction loan lien. It is further provided that as a condition precedent to any proceeding to enforce such lien upon any Lot upon which there is an outstanding valid and subsisting purchase money or construction loan lien for the aforesaid purpose or purposes, the Association, as the case may be, shall give the holder of such purchase money or construction loan lien sixty (60) days' written notice of such proposed action, which notice shall be sent to the holder of such lien at the address shown in the recorded instrument creating such holder's lien, by prepaid U.S. certified mail, and shall contain a statement of the delinquent maintenance charges upon which the proposed action is based. Upon the receipt of a request of any such purchase money or construction loan lienholder, the Association and the Association shall acknowledge in writing their respective obligation to give the foregoing notice with respect to the particular Lot covered by such lien to the holder thereof.

Section 7.2 Release of Rights. It is specifically stated and agreed that the Association and the Association will release their respective rights to seek collection of any past due charges, assessments and insurance premiums from any party acquiring any Lot at a judicial or nonjudicial foreclosure sale. The foregoing shall not relieve any previous Owner from whom such Lot was repossessed from such previous Owner's obligation to pay any such charge, assessment or insurance premium that was outstanding at the time of the repossession of the subject Lot.

## ARTICLE VIII

### Insurance

Section 8.1 Hazard Insurance. Each Owner shall supply to the Association proof of adequate coverage, to the Association's complete satisfaction, of such Owner's Townhouse against loss or damage by fire or other hazard in an amount sufficient to cover the full replacement cost of any repair or reconstruction work of such Townhouse. The Association or its duly authorized agent shall have the authority to obtain insurance for any or all the Townhouses unless the respective Owners thereof have supplied proof of adequate coverage to the Association's complete satisfaction, as set forth above. Such policies shall provide that insurance proceeds payable on account of loss of or damage to the Townhouse shall be adjusted with the carrier(s) by the Association and shall be payable solely to the Owner's mortgagee, if any, and the Association, as Insurance Trustee for the Owner. Such insurance proceeds shall be applied to the repair or restoration of the applicable Townhouse as hereinafter provided. All such insurance policies shall provide that coverage may not be cancelled by the carrier without first giving the Association and Townhouse mortgagee, if any, ten (10) days' written notice of cancellation. All such

policies shall contain, if obtainable, a waiver of the right of subrogation against any Owner, members of the Owners family, and the Association, its officers, agents and BELLAGO employees.

**Section 8.2 Liability Insurance.** The Association may obtain a public liability policy or policies covering the Common Area and all damage or injury caused by the negligence of the Association or any of its agents, officers or employees in such amounts as the Association may deem desirable, in its sole discretion.

**Section 8.3 Premiums.** Premiums for all insurance obtained by the Association, except policies on the individual Townhouses, shall be a common expense. Premiums for insurance obtained by the Association on individual Townhouses shall not be a part of the common expense, but shall be an expense of the Owner of the specific Townhouse so covered and a debt owed by such Owners and shall be paid within twenty (20) days after notice of such debt and shall be collectible by any lawful procedure permitted by the laws of the State of Texas. In addition, if said debt is not paid within twenty (20) days after notice of such debt, such amount shall automatically become a lien upon such Owner's Lot, in accordance with the provisions of Article VII, and shall continue to be such a lien until fully paid.

**Section 8.4 Additional Insurance.** Any owner may, if he wishes, at his own expense, carry any and all other insurance he deems advisable beyond that included in the home owner's policy required by the Association.

**Section 8.5 Insurance Proceeds.** In the event of damage or destruction by fire or other casualty to any Townhouse covered by insurance payable to the Association as trustee for the Owners, the Association shall, with the concurrence of lienholders having an interest in the proceeds payable under such insurance policies, if any, upon receipt of such insurance proceeds, contract to rebuild or repair such damaged or destroyed portions of the subject Townhouse to as good condition as existed prior to such casualty; provided, however, in no event shall the Association be obligated to expend in excess of the available insurance proceeds. 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. In the event that insurance proceeds are insufficient to pay all the costs of repairing and/or rebuilding to as good condition as formerly, the Association may, but shall not be obligated to, levy a special assessment against all Owners of the damaged Townhouses in such proportions as the Association may deem fair and equitable in the light of the damage sustained by such residences to make up any deficiency, except that the special assessment shall be levied against all owners, in equal proportions, to make up any deficiency for repair or rebuilding of the common area. Such special assessments shall be secured by the lien described in Article VII hereof. In the event such insurance proceeds exceed the cost of repair and reconstruction, such excess shall be paid over to the respective lienholders and owners in such proportion as the Association may deem fair and equitable in the light of the damage sustained by such Townhouses. Such payments shall be made to all such Owners and their lienholders as their interests may appear.

## ARTICLE IX

### General Provisions

**Section 9.1 Term.** These covenants, conditions and restrictions shall run with the land and shall be binding upon all Owners and all persons claiming under them for a term of 20 years from the date this Declaration is recorded, after which period the covenants, conditions, and restrictions shall be automatically extended for successive periods of 10 years subject to termination by an instrument signed by more than 50 percent of the Owners, unless these covenants, conditions and restrictions are modified or terminated as hereinafter provided.

**Section 9.2 Severability.** Invalidation of any one of these covenants by judgment or further court order shall in no way affect any of the other provisions hereof, which other provisions shall remain in full force and effect.

Section 9.3 Amendments. Any or all of the covenants, restrictions and other matters contained in this Declaration may be repealed, amended or modified at any time by a vote of the Owners of seventy-five percent (75%) of the Lots, any such amendments to be evidenced by an instrument in writing and filed for record in the office of the County Clerk of Montgomery County, Texas; provided, however, that (1) if the Association or any successor in interest to the Association is then in existence, the approval of such repeal, amendment or modification by the Association or its successor is first obtained, which approval shall not be unreasonably withheld or delayed, (ii) no amendment shall be made which shall in any manner impair the security of any institutional lender having a mortgage or other lien against any Lot or the Common Area, or any other record owners of liens thereon, and (iii) no amendment shall be made which shall in any manner impair or affect the rights of the Association or Declarant without the prior written consent of the Association or Declarant.

Section 9.4 Waiver of Liability. Neither the Declarant nor the Association shall be liable for any personal injury or damage to property resulting from acts or omissions by the Declarant or the Association or their respective agents or employees in connection with the carrying out of any of their rights, duties or obligations under the terms of this instrument or in otherwise developing and administering the Property.


Section 9.5 Enforcement. Declarant, the Association, and any Owner shall have the right to enforce all of the covenants and restrictions imposed by the provisions of this Declaration, as the same may be amended from time to time, by any proceedings at law or in equity against the person or persons so violating or attempting to violate any of the provisions hereof, including by means of actions to restrain or prevent such violation or attempted violation by injunction, prohibition or specific performance. It shall not be a prerequisite to the granting of any such injunction that there be inadequate remedy at law or that there be any showing of irreparable harm or damage if such injunction is not granted. In addition, any person entitled to enforce the provisions hereof may recover such damages, either actual or punitive, as such person may show himself justly entitled by reason of such violation of terms and provisions hereof. The Association is hereby expressly authorized to use its funds for the purpose of assisting in the enforcement of the terms and provisions hereof. In addition, the Association and the Association shall have the right to enter the BELLAGO property of the violator and correct the violation, or to require that same be corrected. Failure by the Declarant, by the Association or by any Owner to enforce any covenant or restriction herein contained, or any acquiescence in any violation, shall not be deemed a waiver of the right to enforce the matters set forth herein against any other violator hereof.

Section 9.6 Headings. All section and paragraph headings used herein are for convenience only and shall have no effect in construing any of the provisions hereof.

Section 9.7 Pronouns; Plurals. As used herein, where the context so requires, the gender shall include the masculine, feminine and neuter, and the number of all words shall include the singular and the plural.

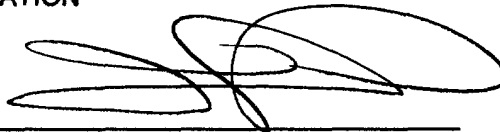
Executed this 8 day of August, 2008.

MEMO EXPRESS, LLC, Declarant

By:   
Mariel Guerra, Officer

Approved:

BELLAGO COMMUNITY IMPROVEMENT  
ASSOCIATION

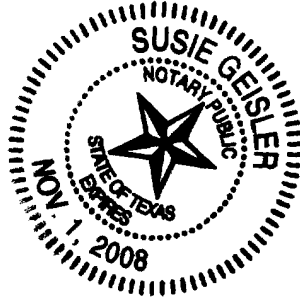
By:   
Florencio Guerra, President

THE STATE OF TEXAS

COUNTY OF MONTGOMERY

This instrument was acknowledged before me on the 8th day of August, 2008, by Mariel Guerra, on behalf of Memo Express, LLC.

Susie Geisler  
Notary Public

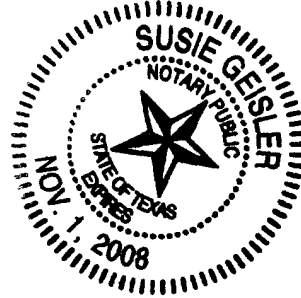


THE STATE OF TEXAS

COUNTY OF MONTGOMERY

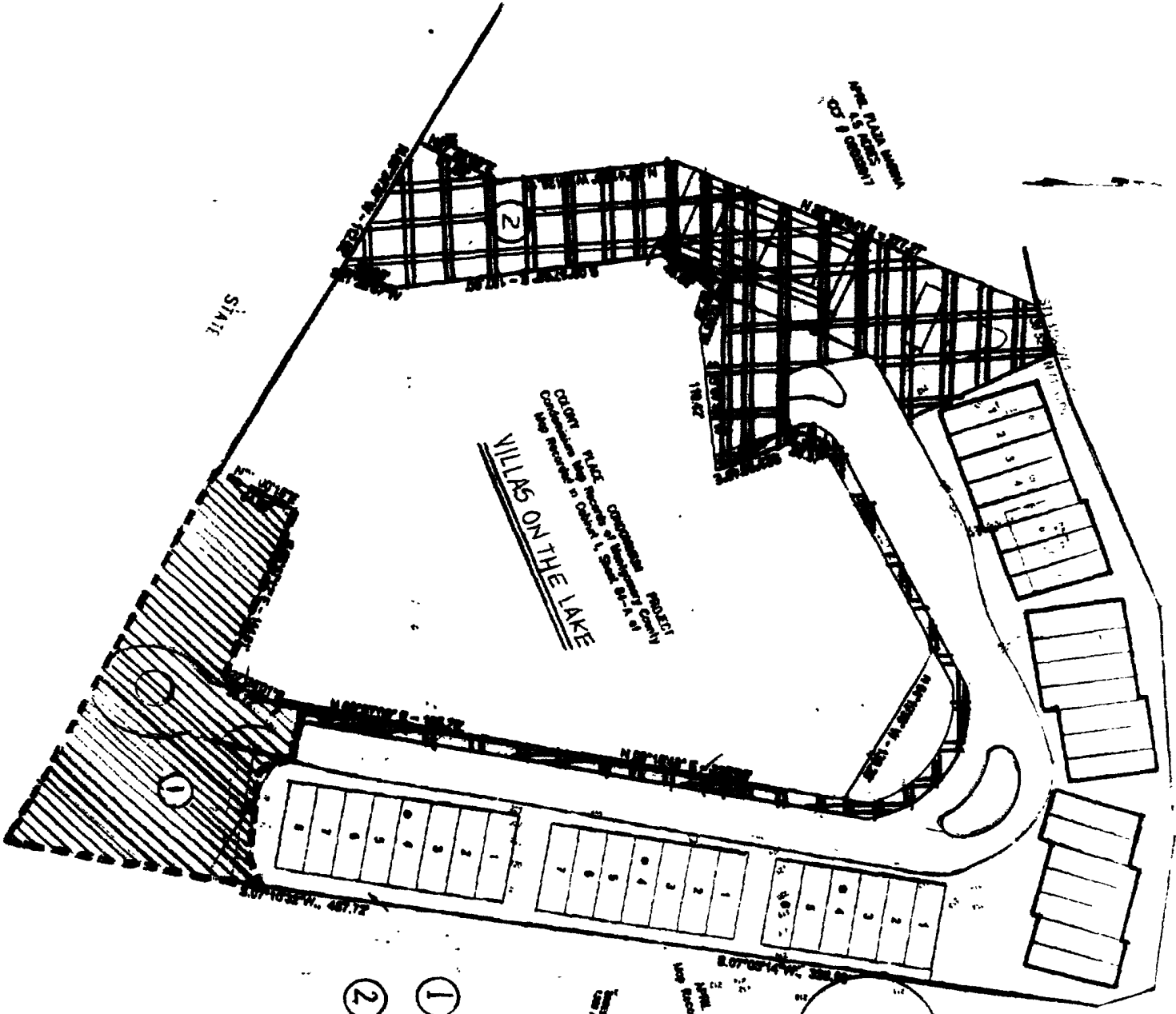
This instrument was acknowledged before me on the 8th day of August, 2008, by Florencio Guerra, on behalf of Bellago Community Improvement Association.

Susie Geisler  
Notary Public

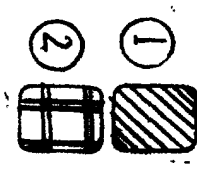


After recording return to:  
Memo Express, LLC

18511 HWY 105 MONTGOMERY  
TX 77356



**VILLAS ON THE LAKE**  
 CONCEPT PLAN - CONCEPTUAL PROJECT  
 CONCEPTUAL SITE PLAN BY ARCHITECTURAL COMPANY  
 FOR PROPOSED 100 UNIT 1, 2, 3, 4, 5, 6, 7, 8, 9, 10



100' 00" 14' 00" 300' 00"  
 100' 00" 14' 00" 300' 00"  
 100' 00" 14' 00" 300' 00"  
 100' 00" 14' 00" 300' 00"

*[Handwritten signature]*

FILED FOR RECORD

2008 AUG -8 PM 3: 59

*Mark Turnbull*  
COUNTY CLERK  
MONTGOMERY COUNTY, TEXAS

**RECORDER'S MEMORANDUM;**  
At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All black-outs, additions and changes were present at the time the instrument was filed and recorded.

STATE OF TEXAS  
COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in File Number Sequence on the date and at the time stamped herein by me and was duly RECORDED in the Official Public Records of Real Property at Montgomery County, Texas.

AUG - 8 2008



*Mark Turnbull*

County Clerk  
Montgomery County, Texas