



(5) Buildings shall mean the buildings situated on the Land, as more particularly described on Exhibit "B" attached hereto, and any other buildings situated on any other land annexed into the Project pursuant to Article XI hereof.

(6) By-Laws shall mean the By-Laws of the Association, a copy of which is attached hereto as Exhibit "C".

(7) Common Elements shall mean the Land, Buildings, and all other improvements located on the Land, except for those portions herein defined as Units or as Limited Common Elements. If additional property is annexed into the Project pursuant to Article XI hereof, the certificate filed in conjunction therewith shall designate the portions of such property to be treated as Land, Buildings, Units, Common Elements and Limited Common Elements. Without limiting in any way the generality of the foregoing, the Common Elements shall include those items defined as "General Common Elements" in the Act, including foundations, bearing walls and columns, roofs, halls, lobbies, stairways, entrances, exits, communication ways, swimming pools, tennis court, club rooms, managerial offices and managerial apartments, mail rooms, areas used for storage of janitorial supplies, maintenance equipment and materials, guard posts, driveways, all parking spaces shown on Exhibit "B" that are not designated by number and as such are not assigned to a specific Unit as a Limited Common Element, and in general all apparatus and installations existing for common use, or necessary or convenient to the operation, maintenance, and use of the Project as a condominium.

(8) Developer shall mean Forum Park III Joint Venture, a Texas Joint Venture comprised of Landmark Interests, Inc., a Texas corporation; Barron/McGregor, Inc., a Texas corporation; and Sugar Branch, Ltd., a Texas limited partnership; and any successors or assigns, provided such successors or assigns are designated in writing by the preceding Developer as such, or such successors or assigns were mortgagees of the preceding Developer.

(9) Land shall mean the real property described on Exhibit "A" attached hereto, together with any additional real property annexed into the Project as provided for in Article XI hereof.

(10) Limited Common Elements shall mean those portions of the Common Elements reserved for the exclusive use of one or more Owners to the exclusion of other such Owners, such Limited Common Elements being more particularly designated as such on Exhibit "B" hereto and being the patios, balconies and numbered Parking Spaces. Patios are designated by the letter "P" and balconies are designated by the letter "B" on Exhibit "B", and the exclusive use of the patios and balconies as Limited Common Elements is hereby reserved to the Owner of the Unit which such patios and balconies adjoin, as indicated on Exhibit "B". Certain Parking Spaces are designated on Exhibit "B" numerically. The numbered Parking Spaces are hereby assigned to the Unit with the corresponding number, the Owners of which are entitled to the exclusive use of such assigned Parking Space as a Limited Common Element.

(11) Maintenance Expense Charge shall mean the assessment levied for management and operation of the Project and for repairs, maintenance, insuring, and operation (including certain

utility costs relating to the Common Elements and the Limited Common Elements) of the Project (including reserves for replacements), as provided in Article IV hereof.

(12) Maintenance Fund shall mean any accumulation of the Maintenance Expense Charges collected by the Association for the continued maintenance, repair and operation of the Project.

(13) Member shall mean a member of the Association, as more particularly described in Article III hereof.

(14) Mortgage shall mean a security interest, mortgage, Deed of Trust or lien granted by an Owner in and to, or against, a Unit to secure the repayment of a loan, and duly filed for record in the Office of the County Clerk of Harris County, Texas, including any such existing security interests, mortgages, Deeds of Trust, or liens heretofore granted by Developer.

(15) Mortgagee shall mean the person, firm, corporation or other entity who holds a Mortgage as security for repayment of a debt.

(16) Owner shall mean any person, firm, corporation or other entity, including Developer, which owns, of record, title to a Unit in the Project.

(17) Parking Spaces shall mean the areas designated as such on Exhibit "B"; numbered Parking Spaces being assigned to correspondingly numbered Units as Limited Common Elements and unnumbered Parking Spaces being unassigned as Common Elements.

(18) Percentage Interest shall mean the undivided interest in and to the Common Elements and Limited Common Elements associated with and appurtenant to each Unit as set forth in Exhibit "B" hereto. If additional property is annexed into the Project as provided for in Article XI hereof, the Percentage Interest appurtenant to each Unit shall be adjusted, based on the ratio of the number of square feet contained in each Unit to the aggregate number of square feet contained in all Units, as provided for in Article XI. The certificate filed to effect any such annexation shall set forth the Percentage Interest appurtenant to each Unit in the expanded Project.

(19) Project shall mean the Land, the Buildings, the Units, the Limited Common Elements, and the Common Elements, the use of the term "Project" herein being intended to refer to the entire condominium regime hereby established, and shall also include any additional Land, Buildings, Units, Common Elements and Limited Common Elements annexed pursuant to Article XI hereof.

(20) Replacement Reserve Fund shall mean the reserve fund established pursuant to Article IV hereof for maintenance, repairs and replacements to the Project.

(21) Rules and Regulations shall mean the rules adopted from time to time by the Association concerning the management and administration of the Project for the use and enjoyment of the Owners. The initial set of Rules and Regulations shall be promulgated by the Developer, and a copy of such initial Rules and Regulations are attached hereto as Exhibit "D".

(22) Trust Agreement shall mean a Trust Agreement relating to the holding and disbursement of any insurance proceeds received in respect of the insurance policies obtained by the Association in accordance with this Declaration in substantially the same form as Exhibit "E".

## ARTICLE II

### GENERAL PROVISIONS RELATING TO USE AND OCCUPANCY

Section 1. Use Restrictions. Each Owner shall use his Unit solely for residential purposes, and no business, professional or other commercial activity of any type shall be operated from or out of any Unit, Common Element, or Limited Common Element. No Owner shall use nor permit such Owner's Unit nor any Common Element nor any Limited Common Element to be used for any purpose which would void any insurance in force with respect to the Project, or which would make it impossible to obtain any insurance required by this Declaration; which would constitute a public or private nuisance, which determination may be made by the Board in its sole discretion; which would constitute a violation of any applicable law, ordinance, rule or regulation (including the Rules and Regulations); or which would interfere, unreasonably, with the use and occupancy of the Project by other Owners. No part of any curtains, blinds, shades, draperies, or other window coverings visible from the exterior of any Unit shall be used in any Unit unless same are white or beige or other similar uniform color approved by the Board.

Section 2. Decoration, Maintenance, Alteration and Repairs.

(a) No Owner shall have any right, without prior written consent of the Board, to modify, alter, repair, decorate, redecorate, or improve the exterior of any Unit or to take any such action with respect to the interior or exterior of any of the Common Elements or the Limited Common Elements except as herein specifically set forth. No Owner shall have any right to place any sign in or on any Unit or elsewhere on the Project without the prior written consent of the Board, and the Board shall have the right to remove any sign so placed without permission; provided, however, so long as Developer owns any Units in the Project, Developer may place signs in or on any of the Units or in and about the Project advertising its Units and directing customers to its sales facilities. Other than the Developer, no Owner may place any "for sale" or "for lease" sign in or on any Unit or elsewhere on the Project.

(b) Each Owner shall have the right to modify, alter, repair, decorate, redecorate, or improve the interior of such Owner's Unit, provided that such action does not impair the structural integrity, weaken the support, or otherwise adversely affect any of the Buildings or any Limited Common Element or Common Element, and provided that all such action is performed in a good and workmanlike manner.

(c) Each Owner shall maintain, repair and replace at such Owner's sole cost and expense all portions of such Owner's Unit (including the portions thereof which are not located within the physical boundaries of the Unit), and the exterior doors and windows of the Unit; failing which, the Association shall have the right (but not the obligation) to perform such work as is necessary to put any such Unit and adjoining portions in good order and repair, and the cost thereof shall be deemed a debt of such Owner to the Association, payable on demand, and payment thereof shall be secured in the same manner as for Maintenance Expense Charges as set out in Article IV, Section 5, hereof. The Association shall have a reasonable right of entry upon the Unit premises to effect emergency or necessary repairs which the Unit Owner has failed to perform.

(d) The Parking Spaces, balconies and patios designated herein as being Limited Common Elements, as well as all other Limited Common Elements, if any, and the Common Elements (excepting the exterior doors and windows of the Units as set forth in the immediately preceding paragraph (c) hereof), shall be maintained by the Association; however, the cost of repairing or replacing a Common Element or Limited Common Element due to negligence, misuse or neglect of a Unit Owner shall be borne solely by that Unit Owner. The Owner of any Unit as to which any Limited Common Elements are appurtenant shall have no right to modify, alter, repair, decorate, redecorate, improve or take any other similar action with respect to such Limited Common Elements, without the prior written consent of the Board, it being the obligation of the Association under this Declaration to maintain such Limited Common Elements in a uniform and attractive manner for the benefit of all Owners.

### Section 3. Easements.

(a) The physical boundaries of the Unit, the Common Elements, and the Limited Common Elements as the same are set out on Exhibit "B" hereto (or as set out in any certificate filed to effect an annexation pursuant to Article XI hereof), shall be conclusively presumed to be the boundaries of such areas, notwithstanding any settling, rising, or other movement of the Buildings or the Land, and regardless of any variances actually existing on the date hereof with respect to such boundaries. Additionally, there is hereby granted a valid and existing easement for any encroachments and the maintenance of same, arising out of any such variances, settling, rising, or other movement, and such easement shall exist so long as the Project exists as a condominium regime pursuant to the Act.

(b) There is hereby granted to each Owner an easement in and to that portion of the Common Elements or Limited Common Elements that is occupied by any part of an Owner's Unit that is not contained within the physical boundaries of such Unit. Without limiting the generality of the foregoing, such easement shall cover the space occupied by heating and air conditioning equipment, utility pipes and lines, and other similar apparatus or equipment which serve only one Unit.

Section 4. Parking Spaces. Numbered Parking Spaces shall be Limited Common Elements limited to the exclusive use of the Unit to which such spaces numerically correspond. Numbered Parking Spaces shall be deemed appurtenant to the corresponding Unit and shall be deemed to be transferred with any conveyance of such Unit. Notwithstanding the right of exclusive use granted as to any numbered Parking Space, such areas shall remain Limited Common Elements and shall be maintained by and remain subject to the control of the Association. The unnumbered Spaces described in Exhibit "B" hereto (or in any certificate filed to effect an annexation pursuant to Article XI hereof) are not assigned to a particular Unit. Such unassigned Parking Spaces shall be Common Elements subject to the control of the Board.

Section 5. Utilities. Each Owner of a Unit shall be individually responsible for and shall pay for all telephone, electricity and all other utility services furnished to his Unit which are separately metered or billed by the respective utility

companies or other party furnishing same. Utilities not separately metered or billed to the individual Unit shall be part of the Maintenance and Expense Charges, and each Unit Owner shall pay his pro rata part thereof in proportion to such Owner's Percentage Interest as part of the Maintenance Expense Charge. In the event that electricity or other utility service utilized or constructed in connection with Common Elements or Limited Common Elements have been or are connected or constructed for the sake of convenience in such a manner that the cost of such services is separately metered or billed to an individual Unit Owner, the Association shall reimburse such Unit Owner for the additional charges incurred in connection with such services. The amount of such reimbursement shall be borne by all Unit Owners as part of the Maintenance Expense Charge for the operation of the Project.

Section 6. Separate Taxes. Taxes, assessments and other charges of the State or of any political subdivision, or any special improvement district or any other taxing or assessing authority, shall be assessed by such authorities against and collected on each individual Unit, which shall include its percentage of the Common Elements and Limited Common Elements, each of which shall be carried on the tax books as a separate and distinct entity for that purpose and not on the Project as a whole, as more particularly provided for in the Act. Each Unit Owner shall be individually responsible for payment of the separate taxes, assessments and charges.

### ARTICLE III

#### MANAGEMENT AND OPERATION OF PROJECT

Section 1. Management by Association. The affairs of the Project shall be administered by the Association. The Association shall have the rights, powers, and duties of a "Council of Co-Owners" as that term is used in the Act. The Association shall have the power and obligation to provide for the maintenance, repair, replacement, administration, insuring, and operation of the Project as herein provided for, and as provided for in the By-Laws and in the Rules and Regulations. Without limiting the generality of the foregoing, the Association shall be required at all times to enter into contract(s) and agreement(s) with a reputable professional management company concerning the professional management of the Project as a whole, the Common Elements, the Limited Common Elements, or the Buildings, as the Board deems reasonably necessary or appropriate to maintain and operate the Project as a viable residential condominium regime. Additionally, without limitation the Board shall have the right to grant utility and other easements for the uses the Board shall deem appropriate.

Section 2. Membership in Association. Each Owner, including Developer, shall be a Member of the Association so long as he shall be an Owner, and such membership shall automatically terminate when such ownership ceases. Upon the transfer of ownership of a Unit, howsoever achieved, including without limitation by foreclosure of a lien upon a Unit, the new Owner thereof shall, concurrently with such transfer, become a Member in the Association. If there are one or more Owners of a Unit, then such Owners shall designate one of their number as the Member of the Association, which designation shall be made in writing to the Board. After an

Owner is so designated, the Board shall have the right to rely on such designation until a written notice revoking such appointment is received by the Board. Any such Owners may designate the Member from among themselves in any manner they deem fit, and in the event that such Owners are unable to agree upon one of their number to be designated as the Member to the Association, then none of such Owners shall have any vote, fractional or otherwise, in the Association.

Section 3. Initial Board of Directors, Election of First Board. The initial Board of Directors of the Association shall be appointed by Developer concurrently with the recordation of this Declaration. Such Board shall serve until the "first Board of Directors" (sometimes hereinafter so referred to) is elected by the Members. Elections of the first Board of Directors shall be held in accordance with the By-Laws upon the earlier to occur of (i) December 31, 1983, or (ii) within sixty (60) days after Developer notifies the Owners of the date of such elections, which date Developer may set in the exercise of Developer's reasonable discretion (the earlier of such dates is sometimes hereinafter referred to as the "Election Date"). Thereafter, elections shall be held as set forth in the By-Laws.

Section 4. Meetings of Boards of Directors. The Board of Directors shall meet as set forth in the By-Laws.

Section 5. Voting Members. Each Member, including Developer, shall have a vote or votes in the Association according to the Percentage Interest appurtenant to the Unit or Units owned by such Member as shown on Exhibit "B" hereto (or in any certificate filed to effect annexation pursuant to Article XI hereof).

Section 6. Resolution of Disputes. In addition to its other powers conferred by law or hereunder, the Board shall be empowered to create procedures for resolving disputes between Owners and other Owners, the Board, or the Association, including appointment of committees to consider and recommend resolutions of any such disputes.

#### ARTICLE IV

##### MAINTENANCE EXPENSE CHARGE AND MAINTENANCE FUND

Section 1. Payment of Maintenance Expenses. Subject to Section 2 of this Article IV, each Owner shall contribute to the Maintenance Fund a portion of the annual Maintenance Expense Charge for the expenses and the administration of the Project and the maintenance and operation of the Common Elements and the Limited Common Elements which portion shall be in proportion to such Owner's Percentage Interest. The Maintenance Expense Charge shall be assessed in accordance with the provisions hereinafter set forth. No Owner is or shall be exempt from such obligation to so contribute by waiver of use of the Common Elements or any Limited Common Elements, or because of any restriction of such uses in accordance herewith, or with the Rules and Regulations.

Section 2. Payment of Maintenance Expenses During Development. Recognizing that, to some degree, the cost of administration and maintenance of the Project is related to the use of the Common Elements which is in turn related to the number of Units

which are occupied, the Developer shall pay to the Association, until the Election Date, in lieu of any Maintenance Expense Charge or special assessment with respect to all Units which the Developer continues to own, either (i) the amount, if any, by which the Actual Operating Expenses incurred for any fiscal year or part thereof of the Association exceed the aggregate of the Maintenance Expense Charges, less any portion thereof that is deposited in the Replacement Reserve Fund, payable during such period by Owners other than the Developer or (ii) one-half (1/2) of the Maintenance Expense Charge allocable to each Unit owned by Developer, whichever is greater. If the amounts collected as Maintenance Expense Charges from Owners other than the Developer, less any portion thereof that is deposited in the Replacement Reserve Fund, exceed such Actual Operating Expenses for such period, then within a reasonable time after the expiration of such period, an amount equal to such excess shall be refunded to the Owners who shall have paid such Maintenance Expense Charges, in proportion to their respective contributions. For the purposes of this Article IV, Section 2, the term "Actual Operating Expenses" shall mean those expenses reasonably necessary for the normal maintenance and operation of the Project but shall not include (i) capital expenditures (determined in accordance with generally accepted accounting principals), or any amounts paid into the Replacement Reserve Fund or (ii) prepaid items, inventory items or similar expenses that are attributable to periods after such fiscal year or part thereof.

Section 3. Budgets; Establishment of Maintenance Expense Charge and Maintenance Fund. Upon the recordation of this Declaration, the initial Board shall meet and establish a budget for the operation and maintenance of the Project for that portion of the calendar year then remaining, which budget shall set forth the Board's reasonable estimate of all expenses which the Association will incur in such operation and maintenance of the Project for the remainder of such year. Such budget, and all successive budgets, shall include a reasonable allowance for contingencies and shall establish a reasonable reserve fund, herein called the "Replacement Reserve Fund", for maintenance, repairs, and replacements to Common Elements and Limited Common Elements, including those that must be replaced on a periodic basis. Such initial budget, and those adopted thereafter, may also provide for ad valorem tax expenses of the Project if the taxing authorities having jurisdiction thereover have not then separately assessed and valued individual Units. Thereafter, annually, in the last calendar quarter of each year, the Board shall meet and establish such a budget for the next succeeding calendar year. Copies of each such budget shall be posted at the Project for inspection by the Owners. After each such budget is adopted by the Board, the Board shall determine the Maintenance Expense Charge required for the operation of the Project and the maintenance of the Common Elements and Limited Common Elements and for the allowance for contingencies and the replacement Reserve Fund for the calendar year in question, and the portion thereof allocable to each Owner, and each Owner shall be obligated to pay monthly, in advance, one-twelfth (1/12) of the portion of the Maintenance Expense Charge so allocated to such Owner. The Maintenance Expense Charge shall be allocated among those Owners obligated by this Declaration to pay same, according to the respective Percentage Interests of such Owners. In establishing each budget for the Project and the Maintenance Expense Charge, the Board shall take into consideration any possible expansion of the Project by annexation pursuant to Article XI hereof (but in no event shall the Project be burdened with any costs other than those associated with the ownership, operation and maintenance thereof).



Section 4. Special Assessments. If the Board at any time, or from time to time, determines that the Maintenance Expense Charge assessed for any period is insufficient to provide for the continued operation of the Project and the maintenance of the Common Elements and Limited Common Elements, then the Board shall have the authority to levy such special assessments as it shall deem necessary to provide for such continued maintenance and operation. Without limiting the generality of the foregoing, such special assessment may be assessed because of casualty, condemnation, or other loss to any part of the Common Elements or Limited Common Elements, or to make up for any deficiencies caused by non-payment of Maintenance Expense Charges by Owners. No special assessment shall be effective until the same is approved by Members holding at least a majority of the votes in the Association. Any such special assessment shall be payable as may be provided by the Board, and the payment thereof may be enforced in the manner specified in Article IV, Section 5 hereof.

Section 5. Payment of Maintenance Expense Charge; Enforcement. One-twelfth (1/12) of the portion of the Maintenance Expense Charge assessed against each Owner shall be due and payable, in advance, on the first day of each calendar month during the year for which the Maintenance Expense Charge in question has been assessed. Any such amount not paid by the tenth (10th) day of such month shall be deemed delinquent, and, without notice, shall bear interest at the rate of ten (10%) percent per annum (or such higher rate, if any, permitted by law) from the date originally due until paid. If any such amount shall remain unpaid by the fifteenth (15th) day of such month, then at the Board's election the Maintenance Expense Charge due from the delinquent Owner for the next twelve months shall be accelerated, shall become at once due and payable, and from the fifteenth (15th) day of such month until paid shall bear interest at the rate of ten (10%) percent per annum (or such higher rate, if any, permitted by law). In order to secure payment of the Maintenance Expense Charge, the Vendor's Lien and Superior Title to each Unit shall be and hereby is reserved to the Association (the Maintenance Expense Charge allocable to each Unit being a portion of the purchase price therefor), which lien shall be enforceable either through appropriate judicial proceedings by the Association, or by public sale without judicial proceedings. Each Owner, by accepting conveyance of a Unit, irrevocably grants to the Association a power of sale so that the lien for any unpaid sums required to be paid by this Declaration may be foreclosed at public sale without judicial proceedings in the manner prescribed by law in the State of Texas. The Association may be the bidder at any such foreclosure sale and may have the amount for which the Unit in question is sold credited on the sums owing to the Association. The Vendor's Lien and Superior Title and any other liens herein reserved shall be subordinate in all respects to any Mortgage, and any Mortgagee acquiring title to a Unit, whether pursuant to the remedies provided for in its Mortgage, or procedures in lieu thereof, shall not be liable for the unpaid portion of the Maintenance Expense Charge (or payments in lieu thereof which Developer may be required to make pursuant to Section 2 of Article IV hereof) attributable to the Unit in question that arose prior to such acquisition. In addition to the lien hereby retained, in the event of non-payment by any Owner of such Owner's portion of the Maintenance Expense Charge, the Association acting by and through the Board may, upon ten (10) days prior written notice thereof to such non-paying Owner, in addition to all other rights and remedies available at law or otherwise, pursue any or all of the following remedies:

(a) The Association may restrict the rights of such non-paying Owner to use the Common Elements and Limited Common Elements in such manner as the Association deems fit or appropriate;

(b) The Association may cut off any utilities furnished through use of any part of the Common Elements or Limited Common Elements to the Unit owned by such non-paying Owner; and

(c) The Association may pursue any other remedy provided by law in addition to or in lieu of any or all of the above.

Section 6. Maintenance Fund. The Maintenance Expense Charges collected by the Association shall be paid into the Maintenance Fund to be held for the use and benefit, directly or indirectly, of the Project. Such Maintenance Fund may be expended by the Board for the purposes set forth hereinabove and generally to promote the health, benefit, and welfare of the Project and the Owners.

#### ARTICLE V

#### INSURANCE

Section 1. General Provisions. The Board shall obtain insurance for the Project as follows, in such amounts as the Board may deem appropriate, except where otherwise specifically indicated, the premiums for which shall be borne by the Maintenance Fund:

(a) Insurance on the Buildings (including Units), Common Elements, and Limited Common Elements against loss or damage by fire or by any and all other risks insured by standard extended coverage policies in use in the State of Texas, with such endorsements as the Board deems advisable, in amounts sufficient to prevent the Association from being a co-insurer within the terms of such policies, but in any event in an amount not less than the full insurable replacement cost thereof. The full insurable replacement cost of the Buildings (including Units), Common Elements, and Limited Common Elements, shall be determined annually by the Board, who may obtain an appraisal in making such determination, the cost of which shall be paid from the Maintenance Fund.

(b) Insurance on the Buildings (including Units) against all loss or damage from explosion of boilers, heating apparatus, pressure vessels, and pressure pipes installed in, on, or about said Buildings.

(c) Comprehensive general liability insurance against claims for personal injury or death (minimum coverage of \$300,000.00) or property damage (minimum coverage of \$100,000.00) suffered by the public or any Owner, the family, agent, employee, or invitee of any Owner, occurring in, on or about the Project or upon, in, or about the private driveways, roadways, walkways, and passageways, on or adjoining the Project, and at least \$1,000,000.00 in so-called "umbrella" coverage. Any policy obtained pursuant to this subsection (c) shall contain a cross-liability endorsement whereby the rights of named insured shall not prejudice his, her, or their action or actions against another named insured, and shall contain a "severability of interest" type

of endorsement precluding the insurer from denying a claim of an Owner or the Association because of the negligent acts of other Owners, or the Association.

(d) Such workman's compensation insurance as may be necessary to comply with applicable laws.

(e) Employer's liability insurance.

(f) Fidelity bonds (minimum coverage of not less than one and one-half (1-1/2) times the annual estimated Maintenance Expense Charge for the period in question) indemnifying the Association, the Board, and the Owners from loss of funds resulting from fraudulent or dishonest acts of any employee of the Association or of any other person handling the funds of the Association.

(g) Director's and Officer's liability insurance for the directors and officers of the Association against any liability asserted against any such party, or incurred by such party in such capacity, or arising out of such party's status as a director or an officer.

(h) Such other insurance in such reasonable amounts as the Board shall deem desirable, or as may be required from time to time by the Federal National Mortgage Association or other governmental agency or body as a prerequisite to the acquisition of a Mortgage by such association or other governmental agency or body.

Section 2. Policies. All insurance provided for in this Article shall be effected with responsible insurers authorized to do business in the State of Texas. All such policies of insurance shall name as insured the Association, as Trustee for each Owner in accordance with such Owner's Percentage Interest, and all Mortgagees, all as their respective interests may appear. All such policies shall be without contribution with regard to any other policies of insurance carried individually by an Owner, and shall provide that such policy shall not be terminated for any cause without at least thirty (30) days prior written notice to the Association and the Mortgagees. If possible, all policies of insurance of the character described in this Article shall contain an endorsement extending coverage to include the payment of Maintenance Expense Charges with respect to Units damaged during the period of reconstruction thereof. Any proceeds paid in respect of any insurance policy obtained by the Board pursuant to this Article V shall be held and disbursed by the Trustee named by the Board, as Trustee, in accordance with the Trust Agreement.

Section 3. Future Laws. In the event that an insurance policy specifically designed to meet the insurance needs of condominium regimes hereafter becomes available in Texas, the Board shall be authorized to obtain such a policy provided that the coverage afforded thereby at least equals the coverage provided by the policies enumerated in this Article.

Section 4. Individual Insurance. Each Owner shall be responsible for insuring the contents and furnishings of his Unit and of the Limited Common Elements subject to his exclusive control, and for insuring the Owner's improvements, alterations, additions, and fixtures not covered by the master policy to be purchased by the Association. All policies of casualty insurance

carried by each Owner shall be without contribution with respect to the policies of casualty insurance obtained by the Board for the benefit of all of the Owners as above provided. Owners may carry individual policies of liability insurance insuring against the liability of such Owners, at their own cost and expense.

## ARTICLE VI

### FIRE OR CASUALTY: REBUILDING

#### Section 1. Determination of Loss.

(a) In the event of a fire or other casualty causing damage or destruction to the Buildings, the Board shall determine whether such loss comprises more than two-thirds of the Buildings. Unless otherwise required by law, such determination shall be made by determining whether the cost of necessary repair or reconstruction would exceed two-thirds of the cost of reconstructing all Buildings as they existed immediately prior to such fire or other casualty. In the event of fire or other casualty which does not comprise more than two-thirds of the Buildings, the Buildings shall be repaired and reconstructed substantially in accordance with the original plans and specifications therefor.

(b) In the event that fire or other casualty destroys the whole or more than two-thirds of the Buildings, which determination shall be made in the manner hereinabove set forth, and unless otherwise unanimously agreed upon by the Owners, all proceeds of insurance policies carried by the Association and the balance of the Maintenance Fund shall be delivered in accordance with the provisions of the Trust Agreement, and the condominium regime established by this Declaration shall terminate. Upon such termination, the Units, Common Elements, and Limited Common Elements shall be deemed to be regrouped and merged into a single estate owned in undivided interests by all Owners as tenants-in-common in the Percentage Interest previously owned by each Owner.

#### Section 2. Rebuilding.

(a) If it is determined that the Buildings shall be repaired and reconstructed, then all proceeds of insurance policies carried by the Association with respect to such fire or casualty shall be paid and held in accordance with the provisions of the Trust Agreement. The Board shall thereupon contract to repair or rebuild the damaged portions of all Buildings, Common Elements, Limited Common Elements, and Units in accordance with the original plans and specifications therefor and the funds held pursuant to the Trust Agreement shall be used for this purpose and disbursed in accordance with the terms of the contract of repair and rebuilding and the Trust Agreement.

(b) In the event that such insurance proceeds are insufficient to provide for such repair, restoration, or rebuilding, those costs in excess of the insurance proceeds shall be assessed against all of the Owners directly affected by the damage, in proportion to their Percentage Interests. Such special assessments shall not require the consent of the Members notwithstanding the provisions of Section 4 of Article IV hereinabove.

Section 3. Repair of Units. Each Owner shall be responsible for the reconstruction, repair, and replacement of all personal and other property in or part of his Unit that is not a Common Element or Limited Common Element.

Section 4. Indemnity of Association. Each Owner shall be responsible for any costs not otherwise covered by insurance carried by the Association and caused by such Owner's negligence or misuse or by the negligence or misuse of his immediate family, or his agents or employees in the course of their duties, and shall, to the extent not covered by insurance proceeds collected by the Association, indemnify the Association and all other Owners against any such costs.

## ARTICLE VII

### EMINENT DOMAIN

Section 1. General Provisions. If all or any part of the Project is taken or threatened to be taken by condemnation, eminent domain, or by any other similar power, the Board and each Owner shall be entitled to participate in proceedings incident thereto at their respective expense. The Board shall give notice of the existence of such proceeding to all Owners and Mortgagees known to the Board. The expense of participation in such proceedings by the Board shall be borne by the Maintenance Fund. The Board is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses, and any other persons as the Board in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for any such taking shall be deposited with the Board, acting as Trustee, and such damages or awards shall be applied or paid as provided in this Article VII.

Section 2. Common Elements. In the event that an action in eminent domain is brought to condemn a portion of the Common Elements, the Board shall have the sole authority to determine whether to defend any such proceeding; to make any settlement with respect thereto; or to convey such property to the condemning authority in lieu of such condemnation proceeding. With respect to any such taking of Common Elements, all damages and awards shall be determined for such taking as a whole and not for each Owner's interest therein. After the damages or awards for such taking are determined, such damages or awards shall be paid to each Owner in proportion to his Percentage Interest. The Board may, if it deems advisable, call a meeting of the Association, at which meeting the Members, by a majority vote, shall decide whether to replace or restore as far as possible the Common Elements so taken or damaged.

Section 3. Taking of Less than Two-Thirds of Units and Limited Common Elements. In the event that any eminent domain proceeding results in the taking of or damage to one or more, but less than two-thirds of the total number of Units or Limited Common Elements, or both, then the damages and awards for such taking and the payment thereof shall be determined in accordance with the following:

(a) The Board shall determine which of the Units damaged by such taking may be made tenantable and which Limited Common Elements may be made usable for the purposes set forth in this Declaration.

(b) The Board shall determine whether it is reasonably practicable to operate the remaining Units and Limited Common Elements (including those which may be made tenantable or usable) in the manner provided in this Declaration.

(c) If the Board determines that it is not reasonably practicable to operate such remaining Units and Limited Common Elements, then the Project shall be deemed to be regrouped and merged into a single estate owned jointly, in undivided interests, by all Owners, as tenants-in-common in their respective Percentage Interests, and the Condominium regime hereby established shall terminate.

(d) If the Board determines that it will be reasonably practicable to operate such remaining Units and Limited Common Elements, then the damages and awards made with respect to each Unit and Limited Common Element which has been determined to be capable of being made tenantable or usable shall be applied to the repair and construction thereof. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed against the Owners of those Units which are being repaired or reconstructed so as to be made tenantable and against those Owners who have the exclusive right of use of the Limited Common Elements being made usable. With respect to those Units and Limited Common Elements which may not be made tenantable or usable, the award made with respect thereto shall be paid to the Owner who owns such Unit or has the exclusive right of use of the Limited Common Elements, or to their Mortgagee, as their interests may appear, and the remaining portion of such Units and Limited Common Elements, if any, shall become a part of the Common Elements and the repair and use thereof shall be determined by the Board. Those Units which may not be made tenantable shall no longer be a part of the Project and the Percentage Interest appurtenant to each remaining Unit of the Project shall be adjusted by the Board, in such manner as it may determine, to distribute the ownership of the undivided interests in the Common Elements among the reduced number of Owners. After making such adjustment the Board will cause an instrument reflecting the new Percentage Interest appurtenant to each Unit to be duly recorded.

Section 4. Taking in Excess of Two-Thirds of Units and Limited Common Elements. If the entire Project is taken, or two-thirds or more of the Units and Limited Common Elements are taken or damaged by such taking, all damages and awards shall be paid to the accounts of the Owners thereof (or the Owners entitled to such exclusive use), in proportion to their Percentage Interests and the condominium regime hereby established shall terminate upon such payment. Upon such termination, the Units, Common Elements, and Limited Common Elements shall be deemed to be regrouped and merged into a single estate owned in undivided interest by all Owners, as tenants-in-common, in their respective Percentage Interests.

Section 5. Payment of Awards and Damages. Any damages or awards provided in this Article to be paid to or for the account of any Owner by the Board, acting as Trustee, subject to the provisions of any Mortgage affecting such Owner's Unit, shall be applied first to the payment of any taxes or assessments by governmental authorities past due and unpaid with respect to that Unit; secondly, to amounts due under any Mortgages; thirdly, to the payment of any unpaid Maintenance Expense Charges or special assessments charged to or made against the Unit; and finally, to the Owner of such Unit.

## ARTICLE VIII

### AMENDMENTS TO DECLARATION; BY-LAWS

Section 1. General Provision. Except as otherwise provided by law or pursuant to Article XI hereof, after the Election Date, the provisions hereof may be amended by an instrument in writing, signed by Members having not less than two-thirds of the votes in the Association entitled to vote thereupon, but no such amendment shall be effective until a written notice thereof is duly recorded in the Office of the County Clerk of Harris County, Texas; provided, however, the provisions of Article XI hereof may not be amended at any time, except by Developer. Developer reserves the right to amend the provisions hereof at any time, and from time to time, prior to the Election Date; provided, however, no such changes shall be made without the prior approval of the Veterans Administration. The By-Laws of the Association may be amended as therein set forth.

Section 2. Mortgagee Protections. Notwithstanding Section 1 above, unless at least One Hundred (100%) percent of the Mortgagees, based on one vote for one Mortgage, and the Owners have given written approval, neither the Owners nor the Association shall be entitled to:

(a) by act or omission, seek to abandon or terminate the condominium regime except for abandonment provided by statute in case of substantial loss to the Units or Common Elements; or

(b) except pursuant to Article XI hereof, change the pro-rata interest or obligations of any Unit for:

(i) the purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or

(ii) determining the pro rata share or ownership of each Unit in the Common Elements, or

(c) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements, except for granting public utility easements.

## ARTICLE IX

### RESTRICTIONS ON LEASING OF UNITS

No Owner shall have any right to lease or sublet such Owner's Unit, other than in accordance with the provisions of this Article IX; provided however, the provisions of this Article IX shall not apply to Developer or any partner of Developer, nor shall they apply to any Mortgagee who obtains the ownership of a Unit pursuant to remedies provided in a Mortgage, or foreclosure thereof, or Deed or Assignment in lieu of foreclosure. If any Owner, other than those exempted from the operation of this Article IX by the immediately preceding sentence, shall desire to lease or sublet such Owner's Unit, the Owner shall first give written notice thereof to the Board, which notice shall set forth the terms and provisions of the proposed lease agreement and shall include a copy of the written lease proposed to be entered into. Within fifteen (15) days of the receipt of such notice, the Board shall either approve or disapprove the proposed lease agreement,



and in the event of such Board disapproval, such Owner shall have no right to lease or rent the Unit in question pursuant to such proposed lease agreement, and any such attempted lease shall be void and of no force and effect. The Association may resort to any remedies available to it, including a proceeding in forcible entry and detainer and the remedies set out in Section 5 of Article IV hereinabove, to enforce provisions of this Article IX. The Board, in no event, shall unreasonably withhold its approval of any proposed lease agreement; however, should the Board find that the proposed tenant has a poor credit rating, has received poor references from prior landlords, or if the Board determines that the term of the lease is not adequate, or that the security deposit required thereunder is not adequate to protect the interests of the other Owners in maintaining the integrity of the Project, the Board may refuse to approve such lease agreement. The foregoing list is illustrative only, and is not an exclusive listing of possible grounds for the withholding of approval of a proposed lease agreement by the Board. In any event, no lease agreement shall be entered into unless and until the proposed tenant thereunder has deposited with the Association, if required by the Board, a good and sufficient security deposit to cover the portion of the Maintenance Expense Charge attributable to such Unit. The amount of such security deposit shall be set by the Board in a reasonable amount to protect the Association and the other Owners, due regard being given to the credit worthiness of the proposed tenant, the length of the term of the proposed lease, and such other factors as the Board may determine. Nothing in this Article IX shall be deemed to, construed as, or used in any way to discriminate against any person on the account of age, race, color, creed, sex, or religion. Without limitation of the foregoing, if any Owner, including those generally exempted from the operation of this Article IX by the initial sentence hereof, shall desire to lease or sublet such Owner's Unit, any such leasing shall further be subject to the following terms and conditions:

(a) No Unit Owner shall be permitted to lease his Unit for transient or hotel purposes.

(b) No Unit Owner may lease less than the entire Unit.

(c) Any lease agreement shall provide that the terms of such lease shall be subject in all respects to the provisions of the Declaration, By-Laws, and Rules and Regulations and any failure by the lessee thereunder to comply with the terms of such documents shall constitute a default under such lease.

(d) All leases shall be in writing.

#### ARTICLE X

##### MISCELLANEOUS

Section 1. Partition. The Common Elements and Limited Common Elements shall remain undivided and shall not be subject to an action for partition or division so long as the Project is maintained as a condominium regime in accordance with the terms and provisions hereof. In any event, no such partition may be effected until consent is had from all Mortgagees or all Mortgages are paid in full.



Section 2. Severability. In the event of the invalidity or partial invalidity or unenforceability of any provision or portion of this Declaration, the remainder of this Declaration shall remain in full force and effect.

Section 3. Enforcement. The Board, or any Owner, shall be entitled to enforce any of the terms and provisions hereof and the Articles of Incorporation of the Association and By-Laws by action at law or in equity, or the Board, after ten (10) days prior written notice to the Owner in question, may pursue any of the remedies provided for in Sections 5(a) through 5(c), inclusive, in Article IV hereinabove. Failure by the Board or any Owner or Owners to so enforce the terms hereof and the Articles of Incorporation of the Association and the By-Laws shall not be deemed a waiver of any breach or failure to adhere to any of the terms and provisions hereof or thereof.

Section 4. Covenant Running with Land. Subject to change according to Article VIII, Section 1, the terms and provisions hereof shall be deemed to be covenants running with the land and shall be binding upon the Developer, all Owners, and their heirs, legal representatives, successors, and assigns.

Section 5. Rules and Regulations. The Rules and Regulations with respect to the day-to-day maintenance, operation, and enjoyment of the Common Elements and the Project may be amended from time to time by the Board. The Rules and Regulations are of equal dignity with, and shall be enforceable in the same manner as, the provisions of this Declaration, but in the event of a conflict, this Declaration shall control. Each Owner, by accepting conveyance of a Unit, agrees to comply with and abide by the Rules and Regulations, as the same may be amended from time to time.

Section 6. Exhibits. Exhibits "A" through and including "F" attached hereto are hereby incorporated by reference in this Declaration for all purposes, as if set out verbatim herein.

Section 7. Mortgage Matters. Any Mortgagee, upon reasonable notice, shall be entitled to: (i) examine the books and records of the Association during normal business hours; (ii) receive an annual audited financial statement of the Project within ninety (90) days following the end of any fiscal year of the Project; and (iii) receive written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings. Further, each Mortgagee shall be entitled, with respect to any Unit as to which it has a Mortgage, to written notification from the Association of any default (not cured within thirty (30) days therefrom) in the performance by an Owner of any obligation under this Declaration, the Articles of Incorporation of the Association, or the By-Laws, and the Association shall provide such notice. The Association shall deliver to each Mortgagee written notice of any loss to or taking of the Common Elements, if such loss or taking exceeds \$10,000.00, and shall also notify each Mortgagee in writing of any damage or taking with respect to any Unit, if the damages resulting from such loss or taking exceed \$1,000.00. No Unit may be partitioned or subdivided without the prior written consent of at least the holder of any first mortgage on such Unit. If any Unit or portion thereof or the Common Elements or Limited Common Elements or portion thereof is made the subject matter of any condemnation

or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association shall give timely written notice to the institutional holder of any first mortgage on a Unit of any such proceeding or proposed acquisition. The prior written approval of each institutional holder of a first lien mortgage on units in the Project shall be required for any material amendment to the Declaration or the By-Laws.

Section 8. Limitation on Contract Term, Termination. Any contract made by the Association for professional management, or providing for services by the Developer, shall be terminable for cause on thirty (30) days written notice and shall have a maximum term of no more than one (1) year; but in no event, shall any such contracts extend beyond the date the Unit purchasers (other than Developer) obtain control of the Association. The Association shall be required to obtain the prior written approval of each institutional holder of a first lien mortgage on units in the Project in order to terminate professional management and assume self management of the Project.

Section 9. Easements. Prior to the Election Date the Board shall have the right to grant to utility companies and other similar entities such easements, rights-of-way, and other rights as may be reasonably necessary to service the Project and establish, operate or maintain the same as a viable condominium project.

Section 10. Developer's Right to Lease or Rent Units. Subject to the provisions of Article IX, Developer shall have the right to rent or lease Units owned by Developer to such parties and upon such terms and conditions as Developer may elect. All tenants or lessees of Developer shall have access to the Project, the Common Elements, and the Limited Common Elements in the same manner as Owners, and shall be bound hereby and by the Rules and Regulations.

Section 11. Developer's Use of Units. Developer reserves the right to use the Units owned or leased by Developer for such purposes as Developer may deem appropriate in connection with Developer's marketing program for this Project or other Projects of Developer; provided that such use shall not unreasonably interfere with the rights of other Owners.

## ARTICLE XI

### ANNEXATION OF ADDITIONAL PROPERTY

Developer hereby declares that it presently contemplates that at a future time the Project may be expanded (but Developer does not hereby obligate itself to expand the Project) by adding thereto additional parcels of land, together with the improvements to be constructed thereon, any such additional improvements to be of comparable style, floor plan, size and structure to those presently in existence. Such property as may be annexed may contain a contemplated additional 112 Units, although the exact number may vary due to design or planning changes which may hereafter occur. Such additional property, designated as "Phase II" on Exhibit "F" hereto may be annexed in whole or in part, from time to time, and at more than one time, in order that such additional property may become a part of the Project described and defined in this Declaration, which annexation may be accomplished within five (5) years from the date of this Declaration without the assent of the Association, the Board, any Owner, or any Mortgagee, it being the intention of this instrument that

such additional property may be annexed during such period at the sole discretion of Developer, without the consent of any other party whatsoever. The provisions of this Article XI shall be effected on, but not before, the date on which there is filed for record in the office of the County Clerk of Harris County, Texas, a certificate of annexation ("Certificate"), signed and acknowledged by Developer and the owner of record title to the property being annexed, which certificate shall describe the property which then constitutes the Project, refer to this Declaration, and declare that it is desired and intended that the provisions of this Article XI shall become effective and, therefore, that this Declaration shall apply to and affect the property described in the Certificate. The Certificate so recorded shall specify the number of Units which are being added and annexed to the Project by reason of the filing for record of such Certificate. The Developer may cause to be recorded as many separate Certificates as may be desired by Developer from time to time, to effect the annexation of the property described on Exhibit "F" hereto. Developer further reserves the right, at any time and from time to time, without requesting or receiving the assent or consent of any Owner or any Mortgagee to resubdivide, amend the subdivision map, modify, alter, or otherwise change the legal or other status or configuration of the property to be annexed, to grant easements, and to otherwise take such action as may be deemed necessary by Developer to satisfactorily expand the Project. Each Owner hereby appoints Developer as its attorney-in-fact for the purpose of effecting the provisions of this Article XI, and the power hereby granted to Developer shall be, and is, a power coupled with an interest and is irrevocable. Upon the recordation of a Certificate in compliance with the provisions of this Article XI, adding additional property to the Project, this Declaration shall further apply to and affect all of the property described in this Declaration and the property described in any such Certificate, and shall also bind all Owners of any part of such property with the same effect as if the property described in the Certificate were originally subject to and described in this Declaration. Thereafter, the powers and responsibilities of the Board shall be coextensive with regard to all property included within the expanded Project and the Board shall, pursuant to the provisions of this Declaration, constitute the Board for the entire Project, as expanded, and the rights, obligations, and duties of each Owner shall be the same and identical to the rights, obligations and duties of the Owners prior to the recordation of such Certificate, except as each Owner's Percentage Interest may be modified in accordance with this Declaration upon any such annexation of additional property, it being specifically recognized and acknowledged that each Owner's Percentage Interest, as a percentage, may be reduced by such annexation. The Board shall thereupon continue to maintain one Maintenance Fund for the collection and disbursement of monies as required and permitted hereby for the maintenance, repair and operation of the expanded Project and in all respects and meanings, the Project (as expanded) shall be deemed to be a single condominium project for the purposes, and in accordance with the provisions of, this Declaration and the Act. Upon the annexation of additional property by the recordation of one or more Certificates in accordance with this Article XI, the ownership of the Common Elements, Limited Common Elements and the remainder of the Project other than Units shall automatically become, as to each Unit, a Percentage Interest equivalent to the number of square feet within each Unit divided by the total number of square feet within all Units in the Project after annexation is completed. Any Certificate recorded in accordance with Article XI shall set forth the new Percentage

Interest appurtenant to each Unit within the expanded Project. This Declaration, including but not limited to this Article XI, does not presently create any interest in or with respect to the property described on Exhibit "F" hereto, and this Declaration shall not affect in any manner all or any part of such property unless and until a Certificate of Annexation is filed with respect thereto in accordance with this Article XI.

EXECUTED this 15th day of April, 1981.

FORUM PARK III JOINT VENTURE

Landmark Interests, Inc.

By: *Norman G. Harnage*  
Norman G. Harnage, Vice President

Barron/McGregor, Inc.

By: *E. R. Barron*  
E. R. Barron, President

Sugar Branch, Ltd.

By: Short & Associates, a Texas  
general partnership, its  
general partner

By: *Clymer L. Wright*  
Clymer L. Wright, Partner

By: *Herman B. Short*  
Herman B. Short, Partner

By: *Anthony P. Ambrosino*  
Anthony P. Ambrosino, Partner

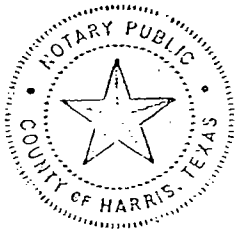
By: *Conrad P. Harness*  
Conrad P. Harness, Partner

THE STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared Norman G. Harbage, Vice President of Landmark Interests, Inc., a Texas Corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and who acknowledged to me that he executed the same for the purposes and consideration therein expressed, and as the act and deed of said Corporation as a joint venturer of Forum Park III Joint Venture, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 16th day of April, 1981.



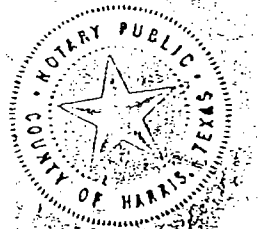
E. Jeannine Martin  
Notary Public in and for  
Harris County, T e x a s  
Name: E. Jeannine Martin  
(printed)  
My Commission Expires: Sept. 18, 1984

THE STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared E. R. Barron, President of Barron/McGregor, Inc., a Texas Corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and who acknowledged to me that he executed the same for the purposes and consideration therein expressed, and as the act and deed of said Corporation as a joint venturer of Forum Park III Joint Venture, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 15th day of April, 1981.



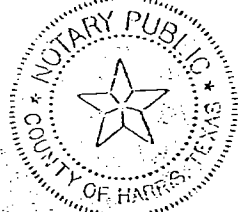
Patricia A. Mattson  
Notary Public in and for  
Harris County, T e x a s  
Name: Patricia A. Mattson  
(printed)  
My Commission Expires: 6/8/81

THE STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared CLYMER L. WRIGHT, HERMAN B. SHORT, ANTHONY P. AMBROSINO and CONRAD P. HARNES, Partners of the partnership of Short & Associates, a Texas general partnership, the general partner of Sugar Branch, Ltd., a Texas limited partnership, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Sugar Branch, Ltd. and that they executed the same as Partners of Short & Associates, as the general partner of Sugar Branch, Ltd., and as the act of such Sugar Branch, Ltd., for the purposes and consideration therein expressed, and as the act and deed of said limited partnership as a joint venturer of Forum Park III Joint Venture, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 15th  
day of April, 1981.



Patsy A. Coulter  
Notary Public in and for  
Harris County, T e x a s  
Name: PATSY A. COULTER  
(printed)  
My Commission Expires: 5/20/84

FORUM PARK 3 TOWNHOMES  
CONDOMINIUM DECLARATION  
A CONDOMINIUM PROJECT  
CONDOMINIUM RECORDS  
HARRIS COUNTY, TEXAS  
VOL. 116 PAGE 115

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 blockouts, additions and changes were present at the time the instrument was filed and recorded.

CONSENT OF PROVIDENT NATIONAL BANK

The undersigned, Provident National Bank, a national banking association whose address is 100 South Broad Street, Philadelphia, Pennsylvania, being the owner and holder of a promissory note which is secured by a Deed of Trust and Security Agreement upon and against the Project described in the foregoing Condominium Declaration, does hereby consent to said Declaration and the exhibits attached thereto and to the recording of same for submission of the Project to the provisions and condominium regime of Article 1301a of the Texas Revised Civil Statutes.

This consent shall not be construed or operate as a release of said Deed of Trust and Security Agreement or any liens, security interests, rights, or powers of the undersigned or any part thereof, but the undersigned agrees that said Deed of Trust and Security Agreement shall hereafter be upon and against each and all of the individual Units and all appurtenances thereto, and all of the undivided interests in the Common Elements and Limited Common Elements of the Project as established by this Condominium Declaration.

The consent of the undersigned shall in no wise impose any obligations or duties upon the undersigned for any act taken or omitted to be taken by Developer with respect to the Project or any part thereof, or with respect to the performance by Developer of any obligation or duty imposed upon it under the foregoing Condominium Declaration or any instrument referred to therein or under any applicable law or ordinance.

IN WITNESS WHEREOF, the foregoing instrument has been executed by and through its duly authorized officer this 15th day of April, 1981.

PROVIDENT NATIONAL BANK

ATTEST:

By: Walter B. Mullen, Vice President Secretary

By: Charles M. Wisnioski, President

THE STATE OF PENNSYLVANIA § COUNTY OF PHILADELPHIA §

BEFORE ME, the undersigned authority, on this day personally appeared Charles M. Wisnioski, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of said Provident National Bank, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 15th day of April, 1981.

Notary Public in and for Philadelphia County, Pennsylvania Name: (printed) My Commission Expires:

WILLIAM O. BREM Notary Public, Phila., Phila. Co. My Commission Expires Oct. 13, 1983



EXHIBIT "A"

All that certain 3.277 acres of land out of FORUM PARK APARTMENTS, SECTION 3 according to the replat thereof filed at Volume 301, Page 12, Harris County Map Records, and being more particularly described by metes and bounds as follows:

BEGINNING at the northeast corner of said Forum Park Apartments, Section 3, said point being in the south line of Sugar Branch Drive (60' wide);

THENCE S 01° 49' 59" E - 381.44', along the east line of said Forum Park Apartments, Section 3, to a point for corner;

THENCE S 89° 52' 21" W - 405.84', along the south line of said Forum Park Apartments, Section 3, to a point for corner;

THENCE N 00° 07' 39" W - 280.06' to a point for corner;

THENCE N 88° 10' 01" E - 85.08' to a point for corner;

THENCE N 01° 49' 59" W - 89.42' to a point for corner;

THENCE N 88° 10' 01" E - 312.25', along the south line of said Sugar Branch Drive, to the POINT OF BEGINNING and containing 3.277 acres of land, more or less.



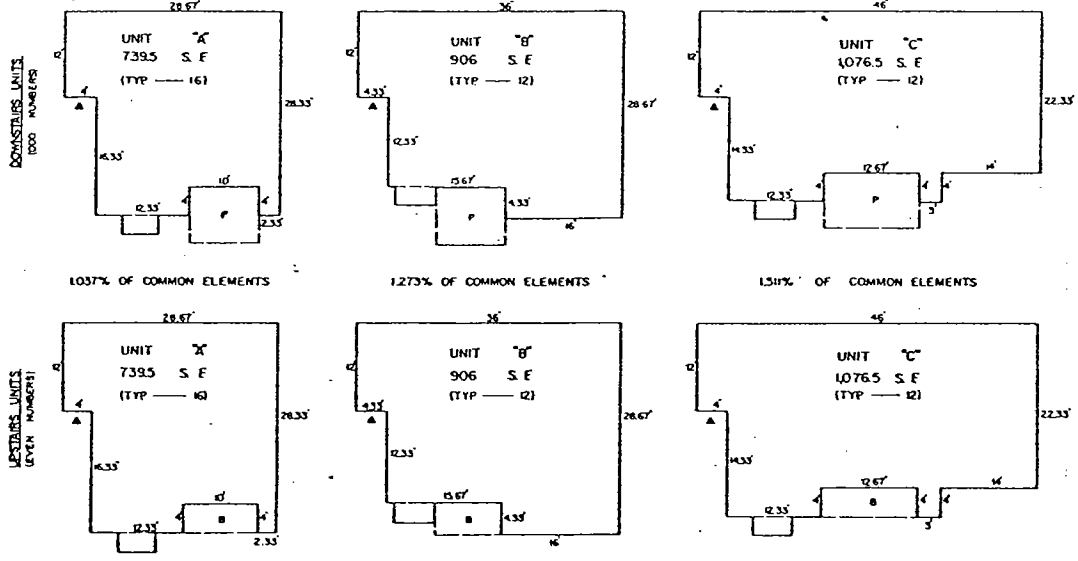
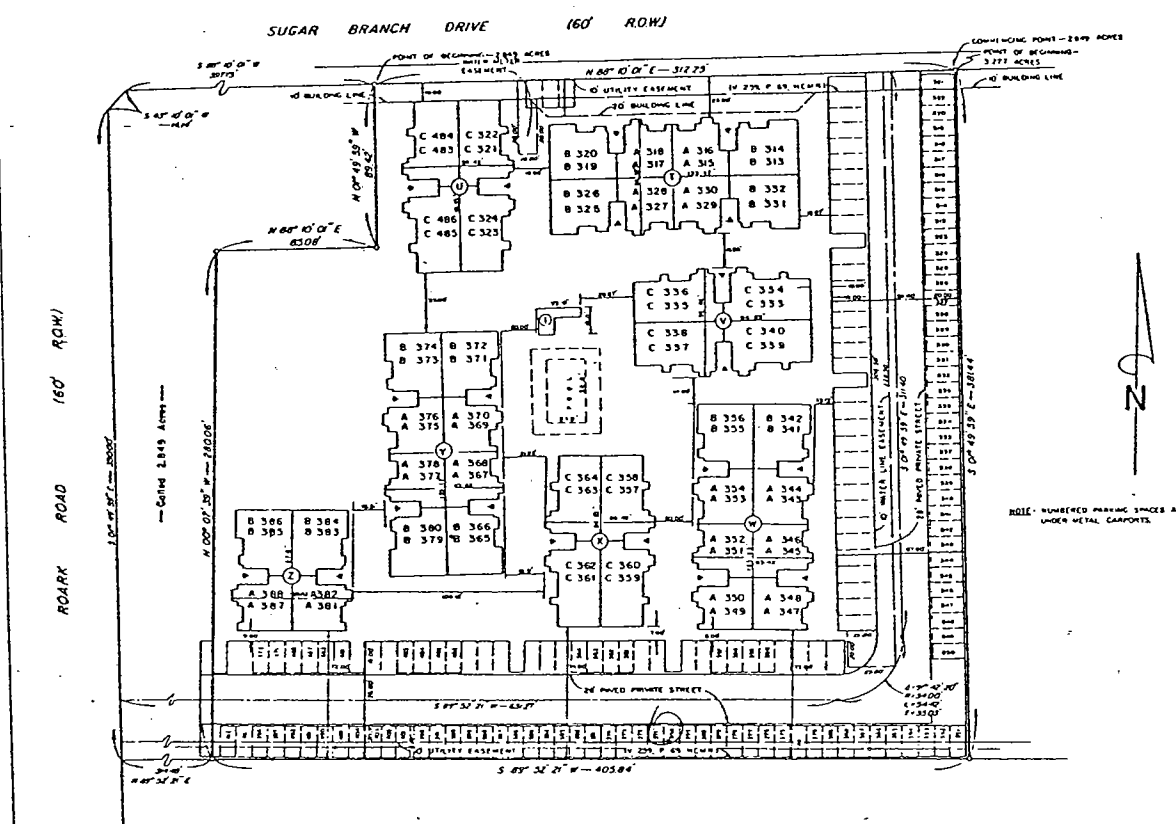


EXHIBIT "B"  
**FORUM PARK III TOWNHOMES**

FORUM PARK III TOWNHOMES  
 CONDOMINIUM DECLARATION  
 A CONDOMINIUM PROJECT  
 CONDOMINIUM RECORDS  
 HARRIS COUNTY, TEXAS  
 VOL. 116 PAGE 178

3.277 ACRES

AS-BUILT ELEVATIONS

BLDG.	FINISHED FLOOR #1	FINISHED CEILING #1	FINISHED FLOOR #2	FINISHED CEILING #2
Y	77.75	82.50	84.00	88.00
X	77.99	82.54	84.04	88.04
W	77.70	82.50	84.00	88.00
V	77.70	82.50	84.00	88.00
U	77.20	82.00	83.50	87.50
T	76.25	81.00	82.50	86.50
S	76.25	81.00	82.50	86.50

PREJEAN & COMPANY, INC.  
 Surveying & Mapping  
 1833 LEXINGTON  
 HOUSTON, TEXAS 77058



3-20-01 DATE

ROBERT J. PREJEAN

1980 1771%

I HEREBY CERTIFY THAT THIS PLAN CORRECTLY REPRESENTS THE ACTUAL CONDITIONS FOUND ON THE GROUND AT THE TIME OF THIS SURVEY AND THERE ARE NO ENCROACHMENTS AND ALL IMPROVEMENTS ARE WHOLLY WITHIN

NOTE: BEARINGS SHOWN BASED ON RECORD PLAT (VOL. 104, PG. 2), (NEMA)

H064566

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FILED

JUL 22 2 32 PM 1981

FIRST AMENDMENT

TO CONDOMINIUM DECLARATION

*Quinn Reddick*  
COUNTY CLERK  
HARRIS COUNTY, TEXAS

FOR

FORUM PARK III TOWNHOMES (A CONDOMINIUM)

THE STATE OF TEXAS       §  
COUNTY OF HARRIS       §

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, FORUM PARK III JOINT VENTURE, a Texas Joint Venture, executed that certain instrument styled "Condominium Declaration for Forum Park III Townhomes (a Condominium)", dated April 15, 1981, and filed for record in Volume 116, Page 110 of the Condominium Records of Harris County, Texas, so as to establish and declare, in accordance with the terms therein set forth, a Condominium Regime upon the land and improvements described therein; and,

WHEREAS, it is the desire of Forum Park III Joint Venture, in accordance with the terms of said Condominium Declaration for Forum Park III Townhomes (a Condominium), to amend and modify said Condominium Declaration specifically as hereinafter set forth:

NOW, THEREFORE, FORUM PARK III JOINT VENTURE hereby agrees and declares that the Condominium Declaration for Forum Park III Townhomes (a Condominium) is hereby amended and modified as follows:

I.

Section 3 of Article III of the Condominium Declaration for Forum Park III Townhomes (a Condominium) is hereby amended to read as follows:

"Section 3. Initial Board of Directors, Election of First Board. The Initial Board of Directors of the Association shall be appointed by Developer concurrently with the recordation of this Declaration. Such Board shall serve until the "first Board of Directors" (sometimes hereinafter so referred to) is elected by the Members. Elections of the first Board of Directors shall be held in accordance with the By-Laws upon the earlier to occur of (i) December 31, 1983, or (ii) prior to the annexation of additional property, if any, as set forth in Article XI, within one hundred twenty (120) days after ninety percent (90%) of the Units in the Project have been conveyed to Owners other than Developer or (iii) after annexation of additional property as set forth in Article XI, within one hundred twenty (120) days after seventy-five percent (75%) of the Units in the Project have been conveyed to Owners other than Developer, or (iv) within sixty (60) days after Developer notifies the Owners of the date of such elections, which date Developer may set in the exercise of Developer's reasonable discretion (the earlier of such dates is sometimes hereinafter referred to as the "Election Date"). Thereafter, elections shall be held as set forth in the By-Laws."

II.

Except as herein above expressly provided, the Condominium Declaration for Forum Park III Townhomes (a Condominium)

as recorded in Volume 116, Page 110 of the Condominium Records of Harris County, Texas, shall be and remain in full force and effect as originally written.

EXECUTED this 7th day of July, 1981.

FORUM PARK III JOINT VENTURE

Landmark Interests, Inc.

By: *Norman G. Harnage*  
Norman G. Harnage, Vice President

Barron McEggor, Inc.

By: *E. R. Barron*  
E. R. Barron, President

Sugar Branch, Ltd.

By: Short & Associates, a Texas  
general partnership, its  
general partner

By: *Clymer L. Wright*  
Clymer L. Wright, Partner

By: *Herman B. Short*  
Herman B. Short, Partner

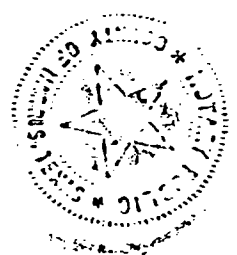
By: *Anthony P. Ambrosino*  
Anthony P. Ambrosino, Partner

By: *Conrad P. Harness*  
Conrad P. Harness, Partner

THE STATE OF TEXAS           §  
   §  
COUNTY OF HARRIS           §

BEFORE ME, the undersigned authority, on this day personally appeared NORMAN G. HARNAGE, Vice-President of Landmark Interests, Inc., a Texas Corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and who acknowledged to me that he executed the same for the purposes and consideration therein expressed, and as the act and deed of said Corporation as a joint venturer of Forum Park III Joint Venture, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 16  
day of July, 1981.



Linda H. Blocker  
Notary Public in and for  
Harris County, Texas  
Name: Linda H. Blocker  
(printed)  
My Commission Expires: 5/17/85

THE STATE OF TEXAS           §  
   §  
COUNTY OF HARRIS           §

BEFORE ME, the undersigned authority, on this day personally appeared E. R. BARRON, President of Barron/McGregor, Inc., a Texas Corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and who acknowledged to me that he executed the same for the purposes and consideration therein expressed, and as the act and deed of said Corporation as a joint venturer of Forum Park III Joint Venture, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 7th  
day of July, 1981.



Annette F. Highley  
Notary Public in and for  
Harris County, Texas  
Name: Annette F. Highley  
(printed)  
My Commission Expires: 10/31/84

THE STATE OF TEXAS  
COUNTY OF HARRIS

§  
§  
§

BEFORE ME, the undersigned authority, on this day personally appeared CLYMER L. WRIGHT, HERMAN B. SHORT, ANTHONY P. AMBROSINO and CONRAD P. HARNESS, Partners of the partnership of Short & Associates, a Texas general partnership, the general partner of Sugar Branch, Ltd., a Texas limited partnership, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same as partners of Short & Associates, as the general partner of Sugar Branch, Ltd., and as the act of such Sugar Branch, Ltd., for the purposes and consideration therein expressed, and as the act and deed of said limited partnership as a joint venturer of Forum Park III Joint Venture, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 15th  
day of July, 1981.

*Juanita Ann Wells*  
Notary Public in and for  
the State of \_\_\_\_\_, Texas  
Name: JUANITA ANN WELLS  
(printed)  
My Commission Expires: 6-05-85

CLERK OF THE  
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in  
the Public Records on the date and at the time stamped  
above by me and was duly RECORDED, in the Official  
Public Records of said County of Harris County, Texas.

JUL 27 1981



*Quita L. Lusk*  
COUNTY CLERK,  
HARRIS COUNTY, TEXAS