

**RESTRICTIVE COVENANTS OF
WATERS EDGE SUBDIVISION UNIT NO. 1**

THE STATE OF TEXAS §
 §
COUNTY OF HENDERSON §

KNOW ALL MEN BY THESE PRESENTS:

THAT MAX FISHER (herein called "Developer" does hereby impose the following covenants, restrictions, conditions, easements, charges and liens upon the real property more particularly described as WATERS EDGE SUBDIVISION UNIT NO. 1, an addition located in Henderson County, Texas and more particularly set out and described on the plat of such subdivision of record in Cabinet E, Slide 81, Plat Records of Henderson County, Texas.

1. Definitions.

- a. Developer shall mean and refer to MAX FISHER.
- b. Lot shall mean and refer to any numbered plot of land shown on the recorded subdivision plat of WATERS EDGE SUBDIVISION UNIT NO. 1, but shall not include the private street known as Carene Drive, the gated entry area or any other common use areas shown on said plat.
- c. Owner shall mean and refer to the record Owner, whether one or more persons or entity of the fee title to any Lot in the subdivision, including purchasers under contract from Developer but notwithstanding any theory of mortgage, shall not mean or refer to the Trustee or mortgagee in a mortgage or Deed of Trust but shall include any mortgagee or other person who shall acquire fee title pursuant to foreclosure or other proceeding in lieu of foreclosure.

2. Assessments, Liens. Developer has caused to be incorporated under the laws of the State of Texas, as a non-profit corporation, the WATERS EDGE SUBDIVISION UNIT NO. 1 HOMEOWNERS ASSOCIATION, INC. (herein called "Association") for the purpose of promoting the recreation, health, safety and welfare of Owners of Lots in said subdivision and future units thereof, and for the purpose of maintaining and administering the street known as "Carene Drive", the gated entry area and any other common use areas shown or to be shown on the plat of said subdivision, and administering and enforcing the covenants, restrictions and conditions contained thereon, and collecting and disbursing the assessment and charges herein authorized. Each and every Owner or Owners of any Lot within this subdivision by the acceptance of a deed or other conveyance of such Lot shall be deemed to covenant and agree to pay to such Association

such assessments or charges as may be fixed, established and collected from time to time as provided herein, and in the Bylaws of such corporation. Such assessments, together with interest thereon, and costs of collection thereof shall be and constitute a charge and a continuing lien upon the property against which each such assessment is made, and shall also be the personal obligation of each and every Owner of such property at the time when such assessment fell due. Such assessments shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of the subdivision.

Association shall determine the amount of assessments, and such assessments may be altered as the Association deems appropriate from time to time. Further, the Board of Directors may determine and certify that the then current maintenance assessment is not sufficient to meet the expenses of Association and, at a meeting called for such purpose by majority vote of all Directors present, in person or by proxy, may vote to increase the annual assessment up to the amount which is consistent with similar residential developments. It is further expressly understood that the assessment shall be established on a per Lot basis for each Lot located within the subdivision.

It is further provided that the lien securing any assessment, as provided for herein, shall be subordinate to the lien of any mortgage and any renewals or extensions thereof, if all assessments applicable to the premises covered by such mortgage, and all payments thereon, are current at the time of execution of such mortgage.

It is further provided that all unimproved Lots owned by Developer shall be free of any such assessments until such time as any particular Lot is sold by Developer for individual use. Sale at one time of all or substantially all of the developed Lots owned by Developer within the subdivision shall not constitute a sale to the individual user so as to commence the application of the provision for assessments with respect to such Lots. Any sale by Developer to a person, firm or corporation engaged primarily in the residential construction business shall not constitute a sale for individual use until such time as such Lot is again sold for individual use or actually occupied as a residence.

3. Architectural Control Committee. The Architectural Control Committee shall be composed of three (3) individuals selected by the Developer. After all Lots within the subdivision have been sold by Developer, the Association shall thereafter select the members to serve on the Architectural Control Committee. No improvements shall be erected, placed or altered on any Lot or any construction or on-site preparation work of any nature whatsoever begun until all plans and specifications, a plot plan and a general landscape

plan have been submitted to and approved in writing by the Architectural Control Committee, or a majority of its members as to:

- a. Quality of workmanship and materials;
- b. Adequacy of site dimensions;
- c. Adequacy of structural design;
- d. Proper facing of main elevation with respect to Carene Drive;
- e. Conformity and harmony of the external design, color, type and appearance of external surfaces and landscaping; and
- f. The other standards set forth within these Restrictive Covenants and any amendments thereto.

In the event the Architectural Control Committee fails to approve or disapprove any such details, plans or specifications within fifteen (15) days after submission to it, or in any event if no suit to enjoin has been commenced prior to the completion thereof, approval will not be required and this article will be deemed to have been fully complied with.

4. Removal of Trees. No trees in excess of eight (8) inches in diameter measured twelve (12) feet from the ground shall be removed except as required in the furnishing of utility services and for foundation and driveway site requirements. Additional removal of trees for site and view may be removed with the approval of the Architectural Control Committee.
5. Exterior Maintenance. In the event the Owner of any Lot shall allow same to become unkempt and uncared for, or the buildings thereon to become unsightly or in a state of disrepair, exterior maintenance upon such Lot and structure thereon in the nature of mowing, trimming trees, shrubs, hedges and lawns, and painting or repairing structures may be performed by the WATERS EDGE SUBDIVISION UNIT NO. 1 HOMEOWNERS ASSOCIATION, INC. In the event such becomes necessary, the Association shall give to any Owner of such Lot notice in writing of the need for such maintenance, and of the intention of the Association to perform such maintenance should Owner fail to perform it within fifteen (15) days of the receipt of such notice. The cost of such exterior maintenance so performed by Association shall be assessed against the Lot on which such maintenance is done and shall become a lien thereon upon the filing of a statement of facts by the Association in the Deed Records of the county in which the land is located asserting a lien under this provision.
6. Residential Usage. No Lot in WATERS EDGE SUBDIVISION UNIT NO. 1 shall be used for any use other than residential purposes. Further, by acceptance of a deed for a Lot, each Owner covenants and agrees to complete the construction on/and development of such Lot as a single family residence, in accordance with these Restrictive Covenants and all applicable government ordinances and requirements within two (2) years from the date

of such deed ("Construction Period"). The Developer reserves the right, title and privilege to repurchase the Lot and all improvements thereon, at any time within thirty (30) days after the end of the Construction Period, if Owner fails to comply with the foregoing covenant. Such repurchase option shall be exercised by the Developer by giving ten (10) days' prior written notice to Owner of the Developer's election to repurchase the Lot. Such election notice shall specify the time, date and place of repurchase of the Lot and shall have attached thereto the form of deed to be used to convey the Lot to Developer. Such deed shall be in substantially the same form as the deed to Owner, containing the same warranties of title and shall be subject to any and all exceptions of record. The purchase price for the Lot and improvements shall be the same price paid by the Owner to Developer for the purchase of the Lot. The closing of such repurchase shall take place no later than thirty (30) days from the date of the notice.

7. Minimum Building Area. No building shall be erected on any Lot in WATERS EDGE SUBDIVISION UNIT NO. 1 other than single family dwellings having a living area (enclosed for heating and/or air conditioning) of not less than 2,500 square feet.
8. Resubdivision of Lots. No subdivision or resubdivision of any Lot or combination of Lots in WATERS EDGE SUBDIVISION UNIT NO. 1 shall be permitted except upon prior approval of the Architectural Control Committee. All structures located on any Lot shall be set back from the front Lot line a minimum of fifty (50) feet and from any side Lot line a minimum of fifteen (15) feet.
9. Exterior Materials. The exterior of all residences, garages and boathouses shall be constructed of such materials as may be approved by the Architectural Control Committee.
10. Roofs. All roofs on residences, garages, and boathouses shall be of such material as may be approved by the Architectural Control Committee. Wood shingles will not be permitted.
11. Temporary Residences. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence, either temporarily or permanently, and no used structure of any sort shall be moved onto any Lot. Only a pier and/or a boathouse may be constructed on any Lot prior to the main residence building. The exterior of any improvement shall be completed within six (6) months from the beginning of construction of such improvement. No motor homes shall be located on any Lot unless completely enclosed in a garage. Further, no carports shall be allowed on any Lot.

12. Sanitary Facilities. All lavatories, toilets and bath facilities shall be installed indoors and shall be connected with an adequate aerobic septic system. Minimum requirements for the construction of the aerobic septic system shall be approved by the appropriate authorities of Henderson County, Texas. No outside or surface toilets shall be permitted under any circumstances.
13. Animals. No residential Lot shall be used as a place for keeping horses, mules, cattle or other animals or poultry; provided, however, that occupants of each residence may keep up to three domestic or household pets, such as cats and dogs, provided same are not kept, bred or raised for commercial purposes. Further, all dogs must be kept enclosed or in fenced areas and must be on a leash when outside of such enclosed or fenced areas.
14. Waste Materials. All Lots shall be kept clean and free of trash, rubbish, garbage, debris, or other unsightly objects and materials at all times. All trash, garbage and other waste shall be disposed of in a sanitary manner and all containers or other equipment for the storage or disposal of garbage and trash shall be kept covered, and in a clean, sanitary condition inside garages, behind decorative fencing or otherwise hidden from view from the street.
15. Garage Storage. Any garage used for storage will be kept closed at all times except when in immediate use for ingress or egress.
16. Unused Vehicles. No unused automobiles or vehicles of any kind, except as hereinafter provided, shall be stored or parked on any Lot, except in a closed garage, or on any residential street. "Unused vehicle" is defined as any vehicle which has not been operated for a period of one (1) week or longer.
17. Nuisances. No obnoxious or offensive activity shall be carried on upon any Lot, nor shall anything be done, or any condition permitted to exist thereon which may be or become an annoyance, nuisance or hazard to the health of the neighborhood.
18. Easements. An easement for the installation, operation and maintenance of utilities is reserved on, over and under a strip of land five (5) feet wide along each side Lot line and the right of entry for such purposes is expressly reserved.
19. Firearms. Use of firearms of any kind in the subdivision is strictly prohibited.
20. Signs. No billboard, signs or advertising displays of any kind shall be installed, maintained or permitted to remain on any residential Lot except that one sign containing not more than five (5) square feet of surface area may be displayed for the sale or rent of a dwelling house and Lot.

21. Fences. No fence, wall or shrub used for or serving the purpose of a fence may be maintained in front of the building setback line herein provided.
22. Boats and Trailers. No boats, trailer, mobile home, camper, boat trailer or similar wheeled vehicle shall be stored or parked on any street or on any Lot in front of the building setback line herein provided and must be placed behind a screening fence or other suitable screen so as to prevent view of such from the street.
23. Commercial Vehicles. No commercial type vehicles or trucks may be stored or parked on any Lot except in a closed garage nor parked on any residential street except while engaged in delivery to or transport from a residence. For purposes of this covenant, a three-quarter ton or similar vehicle shall not be deemed to be a commercial vehicle or truck.
24. Temporary Office. Notwithstanding anything to the contrary contained herein, Developer reserves unto himself, his successors and assigns, and its or their designed agent or agents, the right to use any unsold Lot or Lots for a temporary office location, for storage and use of construction equipment and materials, and to place a sign or signs on any unsold Lot in the subdivision.
25. Duration. The restrictions, covenants and conditions of this declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association or the Owner of any Lot subject to these restrictions, their respective legal representatives, heirs, successors or assigns for a term of twenty (20) years from the date of this declaration, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then Owners of fifty-one percent (51%) of the Lots in such subdivision has been recorded, agreeing to change said restrictions, covenants and conditions in whole or in part.
26. Notices. Any notice required to be sent under the terms or provisions herein shall be deemed to have been properly sent when mailed postpaid to the last known address of the person or entity appearing as Owner of such Lot on the county records of Henderson County, Texas at the time of such mailing.
27. Enforcement. Enforcement of these restrictions, covenants and conditions shall be by proceeding at law or in equity against any person or persons violating or attempting to violate any of such restrictions, covenants or conditions, either to restrain violation thereof, or to recover damages, and against the land to enforce any lien created by these covenants, and failure on the part of the Association or any Owner to enforce any restriction, covenant or condition herein contained shall in no event be deemed a waiver of the right to do so thereafter.

- DATED this 13 day of October, 2000.

Max Fisher
MAX FISHER

This instrument was acknowledged before me on this 13 day of Oct. 2000, by MAX FISHER.

NOTARY PUBLIC, STATE OF TEXAS

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