DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE TOWNHOMES AT CANYON CREEK

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE TOWNHOMES AT CANYON CREEK

This Declaration made on the date hereinafter set forth by Canyon Creek Partners, Ltd., a Texas limited partnership, and being herein called "Declarant."

W I T N E S S E T H:

WHEREAS, it is the desire of Declarant to place certain restrictions, covenants, conditions, stipulations and reservations upon and against property owned by Declarant known as T.C.C. Subdivision, a subdivision in Brazos County, Texas, according to the map or plat thereof recorded in Vol. 4568, Pg. 165 of the map or plat records of Brazos County, Texas, (the "Property" as hereafter defined), also known as the Townhomes at Canyon Creek, in order to establish a uniform plan for the development, improvement and sale of the Property, and to insure the preservation of such uniform plan for the benefit of both the present and future Owners of the Townhome Lots (as such terms are hereafter defined) in the Property;

NOW, THEREFORE, Declarant hereby adopts, establishes and imposes upon the 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 Property, and for the welfare and benefit of the Owners of the Townhome Lots in the Property, which reservations, easements, covenants, restrictions and conditions shall run with the land 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 for the welfare and protection of property values.

ARTICLE I
DEFINITIONS

Wherever used in this Declaration, the following words and/or phrases shall have the following meanings, unless the context clearly requires otherwise:

1.1 "Architectural Control Committee" shall mean and refer to the Canyon Creek Architectural Control Committee provided for in Article IV hereof.

1.2 "Association" shall mean and refer to the Canyon Creek Owners Association, Inc., its successors and assigns, as provided for in Article V hereof.

1.3 "Building" shall mean and refer to each group of Townhomes connected to each other.

1.4 "Common Area" shall mean and refer to all those areas of land within the Properties as shown on the Subdivision Plat, except the Townhome Lots, together with such other property as the Association may, at any time or from time to time, acquire by purchase or otherwise, subject, however, to the easements, limitations, restrictions, dedications and reservations applicable thereto by virtue hereof and/or by virtue of the Subdivision Plat, and/or by virtue of prior grants or dedications by Declarant or Declarant's predecessors in title. References herein to "the Common Area" shall mean and refer to Common Area as defined

respectively in the Declaration and all Supplemental Declarations referred to hereinafter. Common Area also includes without limitation, (i) any pipeline easements, drainage easements, utility easements not within platted Townhome Lots, landscape reserves and recreational reserves, (ii) all areas subject to private drainage easements, as shown on the Subdivision Plat, (iii) all areas subject to private access easements as shown on the Subdivision Plat, and (iv) all of Lots 5, 6, 20, 46 and 76 as shown on the Subdivision Plat.

1.5 "Common Facilities" shall mean and refer to all existing and subsequently provided improvements upon or within the Common Area, except those as may be expressly excluded herein. Also, in some instances, Common Facilities may consist of improvements for the use and benefit of the Owners in the subdivision, constructed on portions of one or more Townhome Lots or on acreage owned by Declarant (or Declarant and others) which has not been brought within the scheme of this Declaration. By way of illustration, Common Facilities may include, but not necessarily be limited to, the following; structures for recreation, storage or protection of equipment; fountains; statuary; sidewalks; gates; common driveways; landscaping; and other similar and appurtenant improvements. References herein to "the Common Facilities" or any "Common Facility" shall mean and refer to Common Facilities as defined respectively in the Declaration and all Supplemental Declarations.

1.6 "Declarant" shall mean and refer to Canyon Creek Partners, Ltd., a Texas limited partnership, and any successors and assign which (i) acquire more than one undeveloped Townhome Lot from the Declarant for the purpose of development and (ii) are designated as a Declarant by an instrument in writing executed by Declarant or a successor Declarant and filed of record in the Official Public Records of Real Property of Brazos County, Texas.

1.7 "Improvements" shall mean the Townhomes and the Common Facilities.

1.8 "Joint Upkeep Area" shall mean and refer to (i) the exterior (except for glass portions thereof), foundation and roof of each Building, (ii) the landscaping located on each Townhome Lot, and (iii) the portion of utility lines on the Property which serve more than one Townhome Lot. The Board's determination of which areas are Joint Upkeep Areas shall be conclusive absent a showing of malice by the Board.

1.9 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Townhome Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation and those having any interest in the mineral estate. The term "Owner" shall include any mortgagee or lien holder who acquires fee simple title to any Townhome Lot through judicial or non-judicial foreclosure.

1.10 "Property" and/or "Properties" shall mean and refer to T.C.C. Subdivision, more fully shown on the plat thereof recorded in Vol. 4568, Pg. 165 of the map records of Brazos County, Texas, and any additional properties made subject to the terms hereof pursuant to the annexation provisions set forth herein or made subject to the Association.

1.11 "Subdivision Plat" shall mean and refer to the map or plat of T.C.C. Subdivision, recorded in Vol. 4568, Pg. 165 of the map or plat records of Brazos County, Texas.

1.12 "Townhome" shall mean and refer to a residence constructed on a Townhome Lot joined together with one or more residences by a common wall or walls and/or roof and/or foundation.

1.13 "Townhome Lot" and/or "Townhome Lots" shall mean and refer to the lots shown upon the recorded Subdivision Plat as Lots 1-4, inclusive, Lots 7-19, inclusive, Lots 21-45, inclusive, and Lots 46-75, inclusive, which are restricted hereby to use for residential purposes.

ARTICLE II
RESERVATIONS, EXCEPTIONS AND DEDICATIONS

2.1 The Subdivision Plat dedicates for use as such, subject to the limitations set forth therein, the streets and easements shown thereon, and such Subdivision Plat further establishes certain restrictions applicable to the Properties, including, without limitation, certain minimum setback lines. 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 said property or any part thereof, whether specifically referred to in such contract, deed or conveyance.

2.2 Declarant reserves the easements and right-of-ways as 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, water, cable or any other utility Declarant sees fit to install in, across and/or under the Properties.

2.3 Neither Declarant nor any utility company using the easements or rights-of-way as shown on the Subdivision Plat, or that may otherwise be granted or conveyed covering the Properties, or any portion thereof, shall be liable for any damages done by them, or their assigns, agents, employees or servants, to fences, shrubbery, trees or flowers or other property of the Owner situated on the land covered by any such easements or rights-of-way, unless negligent.

2.4 It is expressly agreed and understood that the title to any Townhome Lot or parcel of land within the Properties conveyed by Declarant by contract, deed or other conveyance shall be subject to an easement for roadways or drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph, telephone or cable purposes and no deed or other conveyance of the Townhome Lot shall convey any interest in any pipes, lines, poles or conduits, or in any utility facility or appurtenances 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 Property or other lands appurtenant thereto. The right to maintain, repair, sell or lease such appurtenances to any municipality or other governmental agency or to any public service corporation or to any other party, is hereby expressly reserved to Declarant.

2.5 Declarant reserves on behalf of the Association, an easement on, over, across and under each portion of the Property to comply with the obligations of the Association set forth herein including, without limitation, those obligations contained in Section 5.6 hereof and those obligations contained in Article IX hereof.

ARTICLE III
USE RESTRICTIONS

3.1 Land Use and Building Type. All Townhome Lots shall be known and described as Townhome Lots for residential purposes only, and no structure shall be erected, altered, placed or permitted to remain on any Residential Townhome Lot other than one Townhome. As used herein, the term "residential purposes" shall be construed to prohibit the use of said Townhome Lots for mobile homes, garage apartments or apartment houses; and no Townhome Lot shall be used for business or professional purposes of any kind, nor for any commercial or manufacturing purposes; provided, however, that Declarant and its designated assignees may use one or more Townhome Lots, or the Townhomes situated thereon as sales offices and/or furnished models, and an Owner may use his Townhome for his own private professional use as long as such use does not supersede the primary use of the Townhome as a residence. Nothing herein shall prevent a Townhome Lot from being leased by the Owner to one or more persons to be used for residential purposes

The following specific restrictions and requirements shall apply to all Townhome Lots in the Property.

(a) Outbuilding: No lawn storage building and/or children's playhouse and/or other structure other than a Townhome shall be placed or maintained on a Townhome Lot.

(b) Garages: No garage shall ever be changed, altered or otherwise converted for any purpose inconsistent with the housing of automobiles at all times. All Owners, their families, tenants and contract purchasers shall, to the greatest extent practicable, utilize such garages for the garaging of vehicles belonging to them.

(c) Decks: Decks may not encroach into any utility easement unless the utility companies involved have granted their written consent to such encroachment. The location of the deck should not pose a problem to the effective drainage of the Townhome Lot or neighboring Townhome Lot and cannot be higher than 18" above natural ground. The paint color of the deck should blend with or match the house.

(d) Patio Covers: Patio covers attached to the Townhome should be integrated into the existing roof line (flush with eaves). If the cover is to be shingled, shingles must match the roof of the house. The entire cover and posts should be trimmed, and the paint color should blend with or match the color of the house. Wooden or metal columns supports must be painted to match the house. No pipe supports are allowed. The cover must not be visible from the street in front of the Townhome Lot.

(e) Exterior Walls: No residences shall have less than fifty-one (51) percent brick, or equivalent masonry construction, on its exterior wall area.

(f) Roof Materials: Unless otherwise approved in accordance with the last sentence of this subsection (d) the roof of all buildings on the Property shall be constructed or covered with asphalt composition shingles or fiberglass composition shingles with a minimum manufacturer guarantee of twenty five (25) years. The color of any composition shingles shall be of wood tone, earthtone or in harmony with earthtone

and shall be subject to written approval by the Architectural Control Committee prior to installation. Any other type roofing material may be used only if approved in writing prior to installation by the Architectural Control Committee.

(g) Air Conditioners: No window or wall type air conditioners shall be permitted to be used, erected, placed, or maintained on or in any building or on any Townhome Lot, except in temporary buildings and then only if approved in writing by the Architectural Control Committee prior to installation or placement. All air conditioner compressors on corner Townhome Lots must be screened from view from all streets by wooden fencing approved by the Architecture Control Committee. All air conditioner compressors on non-corner Townhome Lots must be screened from view from all streets and adjoining Townhome Lots by landscaping approved by the Architecture Control Committee.

3.2 Landscaping. The grass, shrubs and trees on a Townhome Lot shall be of a type and within standards approved by the Architectural Control Committee. The Owner or builder of each Townhome Lot, as a minimum, prior to completion of the construction of a Townhome shall (1) solid sod with grass in the area between his Townhome and such Owner's property line (other than areas planted with other landscaping, parking or driveway improvements). The grass, plants, shrubs and trees shall be of a type and within standards approved by the Architectural Control Committee's landscape requirements. These landscape requirements may be revised by the Architectural Control Committee form time to time.

3.3 Location of the Improvements Upon the Townhome Lot. No building shall be located on any Townhome Lot nearer to the front line or nearer to the street side line than the minimum building setback line shown on the recorded Subdivision Plat. Unless otherwise approved in writing by the Architectural Control Committee, each main residential building shall face the front of the Townhome Lot. For the purpose hereof, the term "front Townhome Lot line" shall mean the property line of a Townhome Lot that is adjacent and contiguous to a street, road or private access easement shown on the Subdivision Plat, or if two or more property lines are adjacent to a street, road or private access easement, the "front Townhome Lot line" shall be the property line adjacent to a street, road or private access easement that has the shortest dimension, and the term "street side Townhome Lot line" shall mean and refer to all property lines of any Townhome Lots that are adjacent to a street, road or private access easement except the front Townhome Lot line, and the "interior side Townhome Lot line" shall mean and refer to all property lines other than the front Townhome Lot line and the street side Townhome Lot line. For the purposes of this covenant, eaves, steps, and unroofed terraces shall not be considered as part of a building provided, however, this shall not be construed to permit any portion of the construction on a Townhome Lot to encroach upon another Townhome Lot. Unless otherwise approved in writing by the Architectural Control Committee, each main residential building shall face the front building line.

3.4 Prohibition of Offensive Activities. No activity, whether for profit or not, shall be carried on any Townhome Lot which is not related to residential purposes. No noxious or offensive activity of any sort shall be permitted nor shall anything be done on any Townhome Lot which is or may become an annoyance or a nuisance to the neighborhood. This restriction is not applicable in regard to the normal sales activities required to sell new homes in the subdivision and the lighting effects utilized to display the model homes.

3.5 Use of Temporary Structures. No structure of temporary character, whether trailer, basement, tent, shack, garage, barn or other outbuilding shall be maintained or used on any Townhome Lot at any time as a residence, or for any other purpose; provided, however, Declarant reserves the right to grant the exclusive right to erect, place and maintain such facilities in or upon any portions of the Townhome Lots as in its sole discretion may be necessary or convenient while selling Townhome Lots, selling or constructing residences and constructing other improvements upon the Properties. Such facilities may include, but not necessarily be limited to, sales and construction offices, storage areas, model units, signs and portable toilet facilities. Garages, if used during the development phase or new home construction as a sales office, are permissible provided it is converted to a regular garage capable of housing a minimum of two (2) automobiles prior to conveyance for occupancy by an Owner.

3.6 Playhouses, Pools, or Other Amenity Structures. No above ground pools, playhouses or fort style structures are permitted at all on any Townhome Lots. The intent of this provision is to offer optimum private enjoyment of adjacent properties. Additionally, playground equipment of any type or amenity structures of any type are permitted only when the specific Townhome Lot involved is completely enclosed by fences in accordance with Section 3.10.

3.7 Storage of Automobiles, Boats Trailers and Other Vehicles. No vehicle with or without motor may be parked or stored on any part of any Townhome Lot, easement, right-of-way, or Common Area unless such vehicle is concealed from public view inside a garage provided the doors may be closed and secured or other approved enclosure, except passenger automobiles, passenger vans or pick-up trucks that: (1) are in operating condition; (2) have current license plates and inspection stickers; (3) are in daily use as motor vehicles on the streets and highways of the State of Texas; and (4) which do not exceed six feet six inches in height, or seven feet six inches in width or twenty-one feet in length, and may be parked in the driveway on such Townhome Lot. No non-motorized vehicle, trailer, boat, marine craft, hovercraft, aircraft, machinery or equipment of any kind may be parked or stored, on any part of any Townhome Lot, easement, right-of-way, or Common Area unless such object is concealed from public view inside a garage provided the doors may be closed and secured or other approved enclosure. No repair work, dismantling or assembling of motor vehicles or other machinery or equipment shall be done or permitted on any street, driveway or any portion of the Properties. No motor bikes, motorcycles, motor scooters, "go-carts" or other similar vehicles shall be permitted to be operated in the Properties, if, in the sole judgment of the Board of Directors of the Association (the "Board"), such operation, by reason of noise or fumes emitted, or by reason of manner of use, shall constitute a nuisance or jeopardize the safety of the Owner, his tenants, and their families. The Board may adopt rules for the regulation of the admission and parking of vehicles within the Common Areas, including the assessment of charges to Owners who violate, or whose invitees violate, such rules. If a complaint is received about a violation of any part of this section, the Architectural Control Committee will be the final authority on the matter. This restriction shall not apply to any vehicle, machinery, or maintenance equipment temporarily parked and in use for the construction, repair or maintenance of subdivision facilities or of a house or houses in the immediate vicinity.

3.8 Mineral Operations. No derrick or other structures designed for the use in boring for oil or natural gas or their minerals shall be erected, maintained, or permitted upon any Townhome Lot, nor shall any tanks be permitted upon any Townhome Lot.

3.9 Animal Husbandry. No animals, snakes, livestock or poultry of any kind shall be raised, bred or kept on any Townhome Lot except dogs, cats or other common household pets may be kept provided they are not kept, bred or maintained for commercial purposes. No more than two common household pets will be permitted on each Townhome Lot. If common household pets are kept, such pets must be restrained and confined on the Owner's back Townhome Lot. It is the pet owner's responsibility to keep their Townhome Lot, other Townhome Lots, the Common Area and other portions of the Property clean and free of their pet's debris. Pets must be on a leash when away from the Townhome Lot.

3.10 Walls, Fences, and Hedges. No hedge in excess of three (3) feet in height, wall or fence shall be erected or maintained on any Townhome Lot unless approved by the Architectural Control Committee. No chain link fence type construction will be permitted on any Townhome Lot. All fences and walls shall be of cedar construction or better.

3.11 Maintenance Obligations. The drying of clothes in public view is prohibited. Similarly, all yard equipment (including water hoses), wood piles, or storage piles shall be kept screened by a fenced service yard or other similar facilities so as to conceal them from view of neighboring Townhome Lots, any street or other property. No Townhome Lot shall be used or maintained as a dumping ground for trash, nor will the accumulation of garbage, trash or rubbish of any kind thereon be permitted. Burning of trash, garbage, leaves, grass or anything else will not be permitted. Trash, garbage or other waste materials shall be kept in sanitary containers constructed of metal, plastic or masonry materials with sanitary covers or lids or as required by any applicable municipal ordinance. Equipment for the storage or disposal of such waste materials used in the construction of improvements erected upon any Townhome Lot may be placed upon such Townhome Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction progresses without undue delay, until the completion of the improvements, after which these materials shall either be removed from the Townhome Lot or stored in a suitable enclosure on the Townhome Lot. In the event of default on the part of the Owner or occupant of any Townhome Lot in observing any of the above requirements, such default continuing after ten (10) days' written notice thereof, being placed in the U. S. mail without the requirement of certification, Declarant or its assigns may, without liability to the Owner or occupant, enter upon said Townhome Lot and cause to be cut such 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 Townhome Lot in a neat, attractive, healthful, and sanitary condition, and may reasonably charge the Owner or occupant of such Townhome Lot for the cost of the work. Said charges shall become an assessment against the Townhome Lot as provided in Article VII. Minimum standards for lawns will be deemed violated if for any Townhome Lot the grass exceeds the height of six (6) inches or if the Directors or their agent determine the presence of excess weeds not consistent with the standard of surrounding properties. Further, Declarant or its assignee reserves the right to contract or arrange for regular garbage pick up service for the Townhome Lot Owners. The Owner or occupant, as the case may be, by the purchase or occupancy of a Townhome Lot, agrees to pay for such work or service immediately upon receipt of a statement, and the amount thereof may be added to the regular assessments assessed against such Townhome Lot and become a charge thereon in the same manner as the regular assessments provided for herein. Trash cans and/or bags may not be stored or placed in an area visible from a street except on days trash is scheduled to be removed.

3.12 Signs, Advertisements, Billboards. No signs, billboards, posters or advertising devices of any character shall be erected on any Townhome Lot except one sign of not more than five (5) square feet, advertising the property for sale or rent or signs used by a builder to advertise the property for sale during the construction and sales period. Declarant shall have the right to remove any nonconforming sign, advertisement or billboard or structure which is placed on a Townhome Lot and in so doing shall not be subject to any liability or damages for trespass, tort or otherwise in connection therewith arising from such removal. The right is reserved for builders, provided consent is obtained from the Declarant, which will not unreasonably be withheld, to construct and maintain signs, billboards, or advertising devices for the purpose of advertising for sale dwellings constructed by the builders and not previously sold by such builder.

3.13 Antennas. No electronic antenna or device of any type other than an antenna for receiving normal television signals and/or F.M. signals shall be erected, constructed, placed or permitted to remain on any Townhome Lot, or Townhome, or building constructed on any Townhome Lot except with the approval of the Architectural Control Committee. Television antennas may be located inside of the attic so as to be completely concealed from public view. Additionally, no antenna, radio, T.V. tower, or antenna of any type or style shall be erected on any Townhome Lot either as an attached or a free-standing structure or be erected and supported by any type of guy wires. Notwithstanding the above, each Owner may install one satellite dish so long as said satellite dish does not extend more than six (6) feet above the ground, is not visible from the street in front of the Owner's lot, and is approved by the Architectural Control Committee.

3.14 Noise. Except in an emergency or when unusual circumstances exist (as determined by the Board), outside construction work or noisy interior construction work shall be permitted only after 7:00 a.m. and before 9:00 p.m. Each Owner shall cause any pet owned by such Owner not to bark or make an unreasonable amount of noise prior to 7:00 a.m. or after 9:00 p.m. and shall cause such pet not to make excessively loud noises between 7:00 a.m. and 9:00 p.m. which would cause a nuisance to any other Owner.

3.15 Underground Electric Service. An underground electric distribution system will be installed in the Property, designated herein as Underground Residential Subdivision, in accordance with an agreement between a provider of electrical utilities ("Electric Company") and Declarant. The Owner of each Townhome Lot containing a single dwelling unit shall, at his own cost, furnish, install, own and maintain (all in accordance with the requirements of local governing authorities and the National Electrical Code) the underground service cable and appurtenances from the point of the Electric Company's metering at the structure to the point of attachment to be made available by the Electric Company at a point designated by the Electric Company at the property line of each Townhome Lot. The Electric Company furnishing service shall make the necessary connections at said point of attachment and at the meter. Declarant has, either by designation on the plat of the subdivision or by separate instrument, granted necessary easements to the Electric Company providing for the installation, maintenance, and operation of its electric distribution system and has also granted to the various Owner's reciprocal easements providing for the access to the area occupied by and centered on the service wires of the various Owners to permit installation, repair and maintenance of each Owner's owned and installed service wires. In addition, the Owner of each Townhome Lot containing a single dwelling unit shall, at his own cost, furnish, install, own and maintain a meter loop (in accordance with the

then current Standards and Specifications of the Electric Company furnishing service) for the location and installation of the meter of such Electric Company for each dwelling unit involved. For so long as underground service is maintained in the Underground Residential Subdivision, the electric service to each dwelling unit therein shall be underground, uniform in character and exclusively of the type known as single phase, 240/120 volt, three wire, 60 cycle, alternating current.

3.16 Deviations in Restrictions. The Declarant, at its sole discretion, is hereby permitted to approve deviations in the restrictions set forth herein in instances where, in its sole judgment, such deviation will result in a more common beneficial use. Such approvals must be granted in writing. Any deviations granted must be in the spirit and intent of the welfare of the overall community.

3.17 No Liability. Neither Declarant, the Board, nor the respective agents, employees and architects of each, shall be liable to any Owner or any other party for any loss, claim or demand asserted on account of the administration of these restrictions or the performance of the duties hereunder, or any failure or defect in such administration and performance. These restrictions can be altered or amended only as provided herein and no person is authorized to grant exceptions or make representations contrary to the intent of this Declaration. No approval of plans and specifications and no publication of minimum construction standards shall ever be construed as representing such plans, specifications or standards will, if followed, result in a properly designed residential structure. Such approvals and standards shall in no event be construed as representing or guaranteeing any residence will be built in a good, workmanlike manner. The acceptance of a deed to a Townhome Lot by the Owner shall be deemed a covenant and agreement on the part of the Owner, and the Owner's heirs, successors and assigns, that Declarant and the Board, as well as their agents, employees and architects, shall have no liability under this Declaration except for willful misdeeds.

3.18 Interpretation. If this Declaration or any word, clause, sentence, section, paragraph or other part thereof shall be susceptible of one or more conflicting interpretations, the interpretation which is most nearly in accord with the general purposes and objectives of this Declaration shall govern and may be corrected or clarified by Declarant's preparation, execution and recording of a supplement to the Declaration.

3.19 Flagpoles; Decorations. No flagpoles shall be permitted on any Townhome Lots except as permitted herein. With the approval of the Architecture Control Committee an Owner may attach a pole no longer than six feet in length to the Owner's home for the purpose of flying the flag of the United States of America, the State of Texas, or any seasonal banners or flags approved by the Architecture Control Committee. No Townhome Lot may contain any items intended to be decorative (except for flags and banners as approved above or by the Architecture Control Committee and except for landscaping) which are visible from any street, without the approval of the Architecture Control Committee. Items which are intended to be decorative shall include, but not be limited to, plastic birds or flamingos, artificial plants or flowers, fountains, windsocks, lawn jockeys, topiaries, more than six (6) plant containers and statuary. Notwithstanding the foregoing to the contrary, an Owner may place decorations on their Townhome Lot in connection with the celebration of a holiday approved by the Architecture Control Committee provided such decorations are removed within thirty (30) days after the holiday and are set up no sooner than forty-five (45) days prior to the holiday.

3.20 Basketball Goals. Permanent basketball goals will only be permitted in the back yards of Townhome Lots and shall not visible from the front of the Townhome Lot. On corner Townhome Lots, the backboard must be located behind the house and on the side of the yard closest to the adjacent Townhome Lot to minimize its visibility from the side street. The basketball goal backboard, net and post must be maintained in excellent condition at all times. Portable goals must be maintained in excellent condition at all times, and must have the pole, backboard, rim and net. Portable goals must be kept close to the front building line of the Townhome Lot (front edge of home) and are not allowed in the street, at the curb, or blocking the sidewalk. Portable goals should not become a nuisance to others.

3.21 Sidewalks. No sidewalk, walkway, improved pathway, deck, patio, driveway or other improvements shall be constructed on any Townhome Lot unless and until the plans and specifications therefor are submitted to and approved by the Architectural Control Committee as provided in Article IV below.

3.22 Maintenance of Townhome Lots. Each Owner shall at all times be obligated to maintain, repair, replace and renew or cause to be maintained, repaired, replaced or renewed (i) the interior of the Owner's Townhome, (ii) all glass on the exterior of the Townhome, (iii) all lighting fixtures, (iv) the heating, ventilating and air conditioning facilities serving such Townhome, and (v) the utility lines internal to such Townhome Lot which are not Joint Upkeep Areas.

3.23 Mailboxes. All mailboxes on the Townhome Lots shall conform to all other requirements of the Architecture Control Committee.

3.24 Trash Collection. All Owners shall purchase and maintain trash receptacles as specified by the Architectural Control Committee to dispose of trash on trash pick-up days. In addition, all Owners shall comply with the requirements of the City of College Station, Texas with respect to putting trash receptacles in an area for pick-up by the City and putting the receptacles away afterwards, which requirements are more fully set forth in applicable City of College Station Ordinances, as same may be amended.

ARTICLE IV
ARCHITECTURAL APPROVAL

4.1 Approval of Building Plans. No building shall be erected, placed, or altered on any Townhome 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 Architectural Control Committee. A copy of the construction plans and specifications and a plot plan, together with such information as may be deemed pertinent, shall be submitted to the Architectural Control Committee, or its designated representative prior to the commencement of construction. The Architectural Control Committee 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 entire discretion. In the event the Architectural Control Committee fails to approve or disapprove such plans and specifications within thirty (30) days after the receipt of the required documents by the Architectural Control Committee, approval will not be required and the requirement of this Section will be deemed to have been fully complied with as.

long as any alterations, construction or renovations are completed within the guidelines provided within these restrictions or any amendments hereto. However, should an Owner move forward with any such construction, alterations or exterior changes without submitting a written application for architectural review as required herein, the Owner will be in violation of the restrictions and hereby acknowledges the obligation to remove such improvements, at the option of Declarant or the Association. The Architectural Control Committee is granted authority for up to one-hundred twenty (120) days to approve or deny any written application for architectural review after the fact of completion. In the event the completed improvements are not approved by the Architectural Control Committee on or before the expiration said one-hundred twenty (120) days, then such application shall be deemed denied. Notwithstanding the foregoing, the Association has the right to obtain a restraining order or pursue any other process within the law to terminate or halt construction progress which has not been approved by the Architectural Control Committee. The Architectural Control Committee shall have full and complete authority to approve construction of any improvement on any Townhome Lot, in its sole and absolute discretion, and its judgment shall be final and conclusive. All reasonable enforcement costs and attorney's fees incurred by the Association in connection with the Association's exercise of the right to obtain restraining order and/or temporary or permanent injunctions under this Section 4.1 shall be recoverable against the Owner and/or occupant in violation of this Declaration and the provisions hereof. The Owner or occupant, as the case may be, agrees by the purchase or occupancy of the residence on a Townhome Lot to pay all such reasonable costs of enforcement and attorney's fees immediately upon receipt of a statement therefor. In the event of the failure to pay such statement, the amount thereof may be added to the regular assessments assessed against such Townhome Lot and shall become a charge thereon which shall be collectible in the same manner as the regular assessments provided for in Article VII. In connection with its review and approval of the plans and specifications and plot plan as provided in this Declaration, it is expressly provided that the Architectural Control Committee shall have the authority to grant variances to allow encroachments upon and across building setback lines established pursuant to Section 3.3 hereof, and to permit other deviations from the specific requirements and limitations of this Declaration in those matters as to which the Architectural Control Committee is given approval authority. Any such variance or permission must be evidenced in writing signed by a majority of the Architectural Control Committee or by the Designated Representative thereof, and may be given or withheld in the sole and absolute discretion of the Architectural Control Committee or the Designated Representative, based on subjective or aesthetic reasons.

4.2 Architectural Control Committee. The Architectural Control Committee (hereafter referred to as "Architecture Control Committee") shall consist of three (3) members who shall be initially appointed by the Declarant. The initial members shall be Todd P. Sullivan, John Sullivan and William Sullivan. In the event of the death, resignation or removal of any initial or subsequent member of the Architecture Control Committee, the remaining member or members, or the "Designated Representative" (herein so called) if there is no remaining member shall have the power to appoint successor member(s) to the Architecture Control Committee. Any member of the Architecture Control Committee may be removed with or without cause by the vote of a majority of the remaining members of the Architecture Control Committee, and in the event of a tie vote the Designated Representative may cast the deciding vote. The Architecture Control Committee may from time to time appoint a Designated Representative to act on its behalf. The initial Designated Representative of the Architecture Control Committee shall be Todd P. Sullivan. After such time as there has been built and constructed on each and every Townhome Lot in the subdivision a residential dwelling and related improvements, or at

such earlier time as the Architecture Control Committee may elect, the duties and responsibilities of the Architectural Control Committee shall be assumed by, and its powers assigned to, the Board. At the time the Architecture Control Committee ceases to serve as the Architectural Control Committee (at the completion of the conditions set forth above or at such earlier time as the Architectural Control Committee may elect), it shall assign the rights and powers, duties and obligations of the Architectural Control Committee to the Board, such assignment to be evidenced by an instrument in writing, executed and acknowledged by the members of the Architecture Control Committee or its Designated Representative, and filed of record in the appropriate records of the County Clerk of Brazos County, Texas. The address for submission of applications for architectural review may change from time to time.

4.3 Minimum Construction Standards. The Architectural Control Committee may from time to time promulgate an outline of minimum acceptable construction standards; provided, however, that such outline will serve only as a minimum guideline and the Architecture Control Committee shall not be bound thereby or prohibited from imposing additional (even more stringent) requirements or adopting amendments to the Minimum Construction Standards to relax, reduce or otherwise modify such standards from time to time.

4.4 Remodeling, Renovation and Redecoration of Exterior Walls. No remodeling, renovation or redecoration of any exterior wall of any building on a Townhome Lot which in any manner changes the visual appearance of such exterior wall (including, but not limited to, changing the color, appearance, texture or reflective character of any exterior surface; the addition or alteration of shutters, awnings or other window coverings; or the addition of wall applications) shall be allowed until the plans and specifications describing the work to be performed have been approved in writing by the Architectural Control Committee as provided in Section 4.1 above. Such remodeling, renovation or redecoration shall, for the purpose hereof, be deemed to constitute an alteration of the building subject to the provisions of Section 4.1.

ARTICLE V
CANYON CREEK OWNERS ASSOCIATION, INC.

5.1 Membership and Voting Rights. Every Owner of a Townhome Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Townhome Lot which is subject to assessment. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership for each Townhome Lot owned by an Owner.

The property Owner is required at all times to provide the Association with proper mailing information should it differ from the property address relative to ownership. Further, when an alternate address exists, Owner is required to render notice of a tenant, if any, or agency, if any, involved in the management of said property. The Owner is required and obligated to maintain current information with the Association or its designated management company at all times.

5.2 The Association shall have two classes of voting membership:

(a) Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Townhome Lot owned. When

more than one person holds an interest in any Townhome Lot, all such persons shall be members. The vote for such Townhome Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Townhome Lot.

(b) Class B. The Class B member(s) shall be the Declarant or its successors and assigns to whom the right of Class B membership is expressly assigned in writing (with a copy of the written instrument making such assignment being delivered to the Association). Class B members shall be entitled to three (3) votes for each Townhome Lot owned. The Class B membership shall cease and be converted to Class A membership as set forth in the Articles of Incorporation of the Association. The Class A and Class B members shall have no rights as such to vote as a class, except as required by the Texas Non-Profit Corporation Act, the Articles of Incorporation or the By-Laws of the Association or as herein provided, and both classes shall vote upon all matters as one group.

5.3 Non-Profit Corporation. Canyon Creek Owners Association, Inc., a non-profit corporation, has been organized; and it shall be governed by the Articles of Incorporation and By-Laws of said Association. All duties, obligations, benefits, liens and rights hereunder in favor of the Association shall be vested in said corporation.

5.4 By-Laws. The Association may make and establish such rules or by-laws as it may choose to govern the organization and administration of the Association, provided, however, that such rules or by-laws are not in conflict with the terms and provisions hereof. The right and power to alter, amend or repeal the by-laws of the Association, or to adopt new by-laws is expressly reserved by and delegated by the members of the Association to the Board.

5.5 Inspection of Records. The members of the Association shall have the right to inspect the books and records for the Association at reasonable times during the normal business hours by appointment.

5.6 Maintenance.

(a) The Joint Upkeep Areas and the Common Areas shall be maintained by the Association in a first class manner, in good condition and repair, the cost and expense of which shall constitute a common expense and be payable by the Association. The Association shall establish and maintain an adequate reserve fund for such purposes, to be funded by regular assessments (rather than by special assessment) as set forth herein.

(b) The Association shall not be liable for injury or damage to any person or property caused in whole or in part by the Association's failure to discharge its responsibilities under this Section where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities.

(c) In the event a dispute shall arise among Owners as to the proper party to bear a maintenance cost or expense, the Board shall be entitled to resolve such dispute; provided, however, that nothing herein shall be deemed or construed as limiting an Owner's right to have the provisions of this Section interpreted by a court of competent jurisdiction; provided further, however, that any such cost or expense so disputed shall be

paid in accordance with the determination of the Board pending final judgment in any such legal proceedings.

(d) The maintenance and repair obligations contained in this Section 5.6 shall not extend to maintenance or repairs caused by a casualty covered by the All Risk Policy (defined herein) for which the maintenance and repair obligations are described in Article IX below.

ARTICLE VI
PROPERTY RIGHTS

6.1 Owner's Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area and common facilities, if any, which shall be appurtenant to and shall pass with the title to every Townhome Lot subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon Common Area.

(b) The right of the Association to suspend the voting rights and right to use the recreation facility by an Owner; to suspend any other service provided by the Association for an Owner for any period during which any assessment against his Townhome Lot remains unpaid; and for a period not to exceed sixty (60) days for each infraction of its published rules and regulations, or breach of any provisions of the Declaration.

(c) The right of the Association to dedicate or transfer all or any part of the Common Area, if any, to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of the members agreeing to such dedication or transfer has been recorded in Official Public Records of Real Property of Brazos County, Texas; provided, however, the Board by majority vote of the Board is authorized and empowered to cause the dedication and conveyance of utility easements and easements for similar purposes without submitting such matter to a vote of the members, and to authorize any officer of the Association to execute the documents required for such dedication or conveyance.

(d) The right of the Association to collect and disburse those funds as set forth in Section 7.1.

6.2 Delegation of Use. Any Owner may delegate in accordance with the by-laws the Owner's right of enjoyment to the Common Area and facilities, if any, to the members of the Owner's family, tenants or contract purchasers who occupy the residential dwelling of the Owner's Townhome Lot.

ARTICLE VII
MAINTENANCE ASSESSMENTS

7.1 Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Townhome Lot owned within the subdivision hereby covenants, and each Owner of any Townhome Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association; (1) regular assessment or charges, and (2) special assessments for capital improvements, and (3) other charges assessed against an Owner and his Townhome Lot as provided in Sections 3.12, 4.1 and 13.2 of this Declaration, such assessments and charges to be established and collected as herein provided. The regular and special assessments, as well as the other charges described in Sections 3.12, 4.1 and 13.2 of this Declaration, together with interest, collection costs and reasonable attorney's fees, shall be a charge on the Townhome Lot and shall be secured by a continuing lien upon the Townhome Lot against which each such assessment is made. Each such assessment and other charges, together with interest, collection costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due, and the personal obligation for delinquent assessments shall not pass to subsequent Owners of the concerned Townhome Lot unless expressly assumed in writing.

7.2 Purpose of Assessments. The assessments levied by the Association shall be used to promote the recreation, health, safety, and welfare of the residents in the Property, for the improvement, maintenance and management of any Common Area and Common Facilities of the Association as well as any esplanades or landscaped areas within street right-of-way designated by Board as being appropriate for maintenance by the Association, and to enable the Association to fulfill its responsibilities. The responsibilities of the Association shall include, but not be limited to, the maintenance and repair of the Common Area, Common Facilities and Joint Upkeep Areas, if any; constructing and maintaining parkways, green belts, detention areas, right-of-ways, easements, esplanades, Common Areas, sidewalks, paths, and other public areas; construction, maintenance and operation of all street lights; garbage collecting; insecticide services; purchase and/or operating expenses of recreation areas, if any; installation, repair, maintenance and replacement of an access gate or gates for the benefit of the Owners; repair, maintenance and replacement of all landscaping, signage, lighting, irrigation, parking and other improvements on the private access easements shown on the Subdivision Plat; payment of all legal and other expenses incurred in connection with the collection and enforcement of all charges, assessments, covenants, restrictions, and conditions established under this Declaration; payment of all reasonable and necessary expenses in connection with the collection and administration of the maintenance charges and assessments; employing policemen and watchmen, and/or security service, if desired; caring for vacant Townhome Lots and doing other things necessary or desirable in the opinion of the Board to keep the Townhome Lots neat and in good order, or which is considered of general benefit to the Owners or occupants of the Townhome Lots; and obtaining liability, workers compensation, property and director and officer liability insurance in amounts required herein and as otherwise deemed proper by the Board. It is understood that the judgment of the Board in the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith. All Townhome Lots in the Property shall commence to bear their applicable maintenance fund assessment simultaneously from the date of conveyance of the first Townhome Lot by Declarant to an Owner. The first regular assessment shall be adjusted according to the number of months remaining in the calendar year. Townhome Lots which are or at any time have been occupied by

a resident, shall be subject to the regular assessment determined by the Board according to the provisions of Section 7.3. The rate of assessment for any calendar year for any individual Townhome Lot, will change within that calendar year as the character of ownership and the status of occupancy changes, however, once any Townhome Lot has become subject to assessment at the full rate, it shall not thereafter revert to assessment at lower rate. The applicable assessment for each Townhome Lot shall be prorated for each calendar year according to the rate applicable for each type of ownership of the Townhome Lot during that calendar year.

7.3 Maximum Regular Assessment.

(a) The regular assessment for the calendar year 2002 shall be $50.00 per Townhome Lot per month, payable twice yearly (each installment being equal to six months of assessments) in advance on the first day of January and July in each calendar year, as established by the Board. The Board shall fix the amount of the regular assessments due during 2003 (and the regular assessment for each subsequent calendar year) at least thirty (30) days in advance of the calendar year. Written notice of the regular assessment shall be sent to every Owner subject thereto at the address of each Townhome Lot or at such other address provided to the Association in writing pursuant to Section 5.1. If for any reason the Board fails to fix the regular assessment for any year by December 2 of the preceding year, it shall be deemed that the regular assessment for such year will be the same as that established for the preceding year, and such regular assessment shall continue unchanged from year to year until the Board establish a new regular assessment in accordance with the provisions hereof.

(b) From and after January 1, 2003, the maximum regular assessment may be increased each year by a majority vote of the Board only to an amount which is not more than fifteen percent (15%) above the assessment for the previous year.

(c) From and after January 1, 2003, the maximum regular assessment may be increased by more than fifteen percent (15%)of previous year's assessment only if the increase is approved by the affirmative vote of a majority of those members of each class who are voting, in person or by proxy, at a meeting duly called for the purpose of considering such increase. Subject to the provisions of Section 7.5, the voting process for this action may also be handled by mail ballot as long as the ballots contain the name, property address, certification by the Secretary of the Association, alternate address of the member, if applicable, and the date and signature of the member. Ballots may be returned by U.S. mail in envelopes specifically marked as containing ballots for the special election, or may be collected by door to door canvas. Upon levying of any increased assessment pursuant to the provisions of this Section 7.3, the Association shall cause to be recorded in the Official Public Records of Real Property of Brazos County, Texas, a sworn and acknowledged affidavit of the President (or any Vice President) and of the Secretary of the Association which shall certify, among other items that may be appropriate, the total number of each class of members as of the date of the voting, the quorum required, the number of votes represented, the number of each class voting "for" and "against" the levy, and the amount of the increased assessment which must be paid in order to avoid being delinquent.

7.4 Special Assessment for Capital Improvements. In addition to the regular assessments authorized above, the Board may levy, in any assessment year, a special assessment

applicable to the current year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided any such assessment shall have the approval of two-thirds (2/3) of the votes of those members of each class who are voting in person or by proxy at a meeting duly called for this purpose. Likewise, subject to the provisions of Section 7.5, the voting process for this action may also be handled by mail ballot as long as the ballots contain the name, property address, certification by the Secretary of the Association, alternate address of the member, if applicable, and the date and signature of the member. Ballots may be returned by U. S. mail in envelopes specifically marked as containing ballots for the special election or may be collected by door to door canvas. Upon the levying of any special assessment pursuant to the provisions of this Section 7.4, the Association shall cause to be recorded in the real property records of the Brazos County Clerk's Office, a sworn and acknowledged affidavit of the President (or any Vice President) and of the Secretary of the Association which shall certify, among other items that may be appropriate, the total number of each class of members as of the date of the voting, the quorum required, the number of each class of votes represented, the number of each class voting "for" and "against" the levy, the amount of the special assessment authorized, and the date by which the special assessment must be paid in order to avoid being delinquent.

7.5 Notice and Quorum for any Action Authorized under Paragraphs 7.3 and 7.4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 7.3 and 7.4 shall be sent to all members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty (60) percent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. If the vote of the members is conducted by mail or door to door canvas, the approval of two-thirds (2/3) of the total membership of each class is required.

7.6 Effect of Nonpayment of Assessment. Any assessment, regular or special, or other charges assessed in accordance with Sections 3.12 and 4.1 not paid within thirty-one (31) days after due date shall bear interest from the due date at a rate of ten (10) percent per annum on the unpaid balance. The Association may bring action at law against the Owner personally obligated to pay the same, or foreclose the lien herein retained against the Townhome Lot. Interest, costs and reasonable attorney's fees incurred in any such action shall be added to the amount of such assessment or charge. In order to secure the payment of the assessments or charges hereby levied, a vendor's lien for the benefit of the Association shall be and is hereby reserved in the deed from the Declarant to the purchaser of each Townhome Lot or portion thereof, which lien shall be enforceable through appropriate judicial and non-judicial proceedings by the Association. As additional security for the payment of the assessments hereby levied, each Owner of a Townhome Lot in the subdivision, by such party's acceptance of a deed thereto, hereby grants the Association a lien on such Townhome Lot which may be foreclosed on by non-judicial foreclosure and pursuant to the provisions of Section 51.002 of the Texas Property Code (and any successor statute); and each such Owner hereby expressly grants the Association a power of sale in connection therewith. The Association shall, whenever it proceeds with non-judicial foreclosure pursuant to the provisions of said Section 51.002 of the

Texas Property Code and said power of sale, designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time by the Association by means of a written instrument executed by the President or any Vice President of the Association and filed for record in the Real Property Records of Brazos County, Texas. In the event that the Association has determined to non-judicially foreclose the lien provided herein pursuant to the provisions of said Section 51.002 of the Texas Property Code and to exercise the power of sale hereby granted, the Association shall mail to the defaulting Owner a copy of the Notice of Trustee's Sale not less than twenty-one (21) days prior to the date on which said sale is scheduled by posting such notice through the U. S. Postal Service, postage prepaid, registered or certified, return receipt requested, properly addressed to such Owner at the last known address of such Owner according to the records of the Association. If required by law, the Association or Trustee shall also cause a copy of the Notice of Trustee's Sale to be recorded in the Real Property Records of Brazos County, Texas. Out of the proceeds of such sale, there shall first be paid all expenses incurred by the Association in connection with such default, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be paid to the Association an amount equal to the amount in default; and, third, the remaining balance shall be paid to such Owner or as otherwise required by law. Following any such foreclosure, each occupant of any such Townhome Lot foreclosed on and each occupant of any improvements thereon shall be deemed to be a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in an action of forcible detainer and the issuance of a writ of restitution thereunder.

In addition to foreclosing the lien hereby retained, in the event of nonpayment by any Owner of such Owner's portion of any assessment, the Association may, acting through the Board, upon ten (10) days' prior written notice thereof to such nonpaying Owner, in addition to all other rights and remedies available at law or otherwise, restrict the right of such nonpaying Owner to use the Common Areas, if any, in such manner as the Association deems fit or appropriate and/or suspend the voting rights of such nonpaying Owner so long as such default exists.

It is the intent of the provisions of this Section 7.6 to comply with the provisions of said Section 51.002 of the Texas Property Code relating to non-judicial sales by power of sale and, in the event of the amendment of said Section 51.002 of the Texas Property Code hereafter, the procedures set forth herein will be automatically modified so as to comply with said amendments to Section 51.002 of the Texas Property Code.

No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Townhome Lot. In addition to the above rights, the Association shall have the right to refuse to provide the services of the Association to any Owner who is delinquent in the payment of the above-described assessments.

7.7 Subordination of the Lien to Mortgages. As hereinabove provided, the title to each Townhome Lot shall be subject to a vendor's lien and power of sale and non-judicial foreclosure securing the payment of all assessments and charges due the Association, but said vendor's lien and power of sale and non-judicial foreclosure shall be subordinate to any valid purchase money lien or mortgage covering a Townhome Lot and any valid lien securing the cost of construction of home improvements. Sale or transfer of any Townhome Lot shall not affect said vendor's lien or power of sale and non-judicial foreclosure. However, the sale or transfer of

any Townhome Lot which is subject to any valid purchase money lien or mortgage pursuant to a judicial or non-judicial foreclosure under such lien or mortgage shall extinguish the vendor's lien and power of sale and non-judicial foreclosure securing such assessment or charge only as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Townhome Lot or the Owner thereof from liability for any charges or assessments thereafter becoming due or from the lien thereof. In addition to the automatic subordination provided hereinabove, the Association, in the discretion of the Board, may subordinate the lien securing any assessment provided for herein to any other mortgage, lien or encumbrance, subject to such limitations, if any, as such Board may determine.

7.8 Future Sections. The Association shall use the proceeds of the assessments for the use and benefit of all residents of the Property, provided, however, that any additional property made a part of the Property by annexation under Section 13.7 of this Declaration, to be entitled to the benefit of this maintenance fund, must be impressed with and subjected to the regular maintenance charge and assessment on a uniform per Townhome Lot basis equivalent to the maintenance charge and assessment imposed hereby, and further, made subject to the jurisdiction of the Association.

ARTICLE VIII
PARTY WALLS

8.1 General Rules of Law to Apply. Each wall which is built as a part of the original construction of the Townhomes upon the Property and placed on the dividing line between the Townhome Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of the Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. Party walls as part of Townhome construction shall in all cases meet the applicable requirements of the City of College Station building code and other applicable ordinances, rules or regulations of the city or any of its departments. If a wall which is intended as a party wall is through construction error situated wholly on one Townhome Lot instead of on the dividing line between Townhome Lots, such wall shall nevertheless be deemed a party wall for joint use by adjoining Townhome Lot Owners. Reciprocal easements are hereby created and shall exist upon and in favor of adjoining Townhome Lots for the maintenance, repair and reconstruction of party walls and the foundation, footings, piers and beams supporting the same. The owner of a Townhome shall not cut through or make any penetration through a party wall for any purpose whatsoever.

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

8.3 Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost and restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

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

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

ARTICLE IX
INSURANCE AND CASUALTY

9.1 Insurance-General.

(a) By acceptance of a deed to a Townhome Lot, each Owner shall be deemed to have irrevocably appointed the Association (which appointment shall be deemed a power coupled with an interest), together with any insurance trustee, successor trustee or authorized representative designated by the Association, as such Owner's attorney-in-fact for the purpose of purchasing and maintaining the insurance required hereunder as well as for submission of and adjustment of any claim for loss, the collection and appropriate disposition of the proceeds thereof, the negotiation of losses and execution of releases of liability, the execution of all documents, and the performance of all other acts necessary to accomplish such purpose. The Association or such trustee, successor trustee or authorized representative must receive, hold or otherwise properly dispose of any proceeds of insurance in trust for the Owners, and their mortgagees as their interests may appear based on the fair market value of the interests damaged or destroyed. Any proceeds paid under any such policy shall be disbursed first for the repair or restoration of any damaged Common Facilities and Townhomes, and no Owner or lienholder shall receive payment of any portion of such proceeds unless a surplus remains after the Townhome has been completely restored.

(b) Each policy of insurance maintained by the Association shall provide that:

(i) Each Owner shall be named as an insured and the Association shall be named as the loss payee;

(ii) Each Owner is an insured person under such policies with respect to liability arising out of the Owner's ownership of any undivided interest in the Common Area or membership in the Association;

(iii) Insurance trust agreements will be recognized;

(iv) Any right to claim (A) by way of subrogation against the Declarant, the Association, the Board, the Owners, and their respective agents and employees, and (B) invalidity arising from acts of the insured is waived;

(v) The coverage of the policy is not prejudiced by any act or omission of an Owner to the extent that such act or omission is not within the collective control of all Owners;

(vi) Such policy is primary insurance if at the time of a loss under the policy any Owner has other insurance covering the same property covered by the policy;

(vii) No act or omission by any Owner, unless validly exercised on behalf of the Association, will void the policy or be a condition to recovery under the policy;

(viii) Such policy may not be cancelled, not renewed or substantially modified without at least 30 days prior written notice (15 days if due to nonpayment of premium) to the Association and, in the case of physical damage and fidelity insurance, to all Owners and to all mortgagees; and

(ix) An agreement that if cancellation is due to nonpayment of premiums, the insurer will so specify in the notice given in (viii) above and will reinstate the policy upon payment of the premiums by the Association.

(c) The Declarant, so long as Declarant shall own any Townhome Lot shall be protected by all such policies as an Owner.

(d) The Board shall have the express authority, on behalf of the Association, to name as insured an authorized representative, including any trustee (or successor thereto) with whom the Association has entered into any insurance trust agreement, which authorized representative shall have exclusive authority to negotiate losses under any policy providing the property or liability insurance required to be provided herein.

(e) The cost of all insurance required to be carried hereunder by the Association shall be a common expense paid from the regular assessments.

9.2 Physical Damage Insurance.

(a) The Association shall obtain and maintain a policy of insurance (an "All Risk Policy") against fire and such other hazards within the meaning of "all risk" insuring the Improvements and naming each Owner as insured and the Association as loss payee and as trustee for the use and benefit of all Owners and their mortgagees as their interests may appear subject, however, to loss payment and adjustment provisions in favor of the Board, in an amount equal to one hundred percent (100%) of the then current replacement cost of the Townhomes exclusive of land, excavations, foundations and other items usually excluded from such coverage, such amount to be re-determined periodically by the Board with the assistance of the insurance company affording such coverage. Any deductible shall not exceed 1% of the replacement cost. The insurance company's determination of the amount of coverage required shall be binding and conclusive on the Association and each Owner for purposes of the coverage required by this Section. A stipulated value or agreed amount endorsement deleting the co-insurance provision of the policy shall be provided with such insurance. If not otherwise included within the "All Risks" coverage specified above, then the Association shall carry or cause to be carried, by endorsement to such "All Risks" policy, coverage against damage due to water and sprinkler leakage, flood and collapse and shall be written with limits of

coverage typically required with respect to facilities similar to the Townhomes. The full replacement value coverage shall include the cost of debris removal and the value of grading, paving, landscaping, architects, and development fees.

(b) Notwithstanding Section 9.2(a): (i) during the course of alteration of any improvements to a Townhome, the party causing the alterations to be performed (or its contractor) shall carry replacement cost builder's risk insurance as to the alterations, naming (in addition to such party and its contractor) the Owner of the Townhome, and the Association (as loss payee) and any mortgagee(s) of the Owner as insureds, as their interests may appear. Any Owner who makes any improvements or betterments to a Townhome shall report to the Association by the time of substantial completion thereof any such improvements so that adequate insurance may be obtained with respect thereto.

(c) Each All Risk Policy shall also provide (unless otherwise provided):

(i) The following endorsements (or equivalent): (A) "no control"; (B) "contingent liability from operation of building laws", "demolition cost" and "increased cost of construction"; (C) "agreed amount" or its equivalent and "inflation guard," if available; and (D) a "severability of interest" endorsement which shall preclude the insurer from denying liability to the Association or to an Owner because of the acts of any other of the foregoing.

(ii) That any "no other insurance" clause expressly excludes individual Owners' or lessees' policies from its operation so that the physical damage policy purchased by the Association shall be deemed primary coverage and any individual Owners' or lessees' policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Association hereunder provide for or be brought into contribution with insurance purchased by individual Owners or their mortgagees, unless otherwise required by law.

(iii) The right of subrogation against the Declarant, the Association and the Owners shall be waived.

(d) A duplicate original of the policy of physical damage insurance, all renewals thereof and any subpolicies or certificates and endorsements issued thereunder together with proof of payment of premium shall be delivered by the insurer to any mortgagee so requesting at least 10 days prior to expiration of the then current policy. All mortgagees shall be notified of any event giving rise to a claim under such policy in excess of $10,000 (in the case of damage to the Townhome covered by such mortgagee's lien).

(e) The Association shall not obtain any policy of insurance where (i) under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against the Owner or mortgagee or become a lien against the Townhome; or (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent the Association, Owners or mortgagees from collecting insurance proceeds.

9.3 Liability Insurance. The Association shall obtain and maintain commercial general public liability and property damage insurance in such limits as the Board may from time to time determine (but not less than one million dollars ($1,000,000) for bodily injury or property damage for any single occurrence), insuring the Association, each member of the Board, each Owner, and the Declarant, against any liability to the public, to the Owners (and their invitees, agents and employees) arising out of, or incident to the ownership or use of the Common Areas and Joint Upkeep Areas. Such insurance shall be issued on a comprehensive liability basis and shall contain: (i) a cross-liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured, and (ii) a "severability of interest" endorsement which shall preclude the insurer from denying liability to the Association or to an Owner because of negligent acts of the Association or of another Owner. The Board shall review such limits periodically. "Umbrella" liability insurance in excess of the primary limits may also be obtained. The obtaining of liability insurance shall not constitute a waiver of sovereign immunity or any other defense by any person.

9.4 Separate Insurance. Each Owner shall have the right and responsibility, at his own expense, to obtain insurance for his personal property and for such other risks as he may desire (including an "All Risk Policy" against the contents of his Townhome, liability insurance, business interruption and workmen's compensation insurance); provided, however, that no Owner shall be entitled to exercise his right to acquire or maintain such insurance coverage so as to decrease the amount which the Association may realize under any insurance policy maintained by the Association or to cause any insurance coverage maintained by the Association to be brought into contribution with insurance coverage obtained by an Owner. Each Owner shall have the right and responsibility, at his own expense, to obtain such liability coverage as he shall deem prudent. All such policies shall contain waivers of subrogation as against other Owners, the Association, its Board, the Declarant, and their respective agents and employees.

9.5 When Repair and Reconstruction are Required. Each Owner and each mortgagee, in the event of damage to or destruction of all or any of the Improvements as a result of fire or other casualty agree that the Board shall arrange for and supervise the prompt repair and restoration of the Improvements. Notwithstanding the foregoing or anything herein to the contrary, except as otherwise agreed to in a document signed by the Association, the affected Owner and its mortgagee, the cost and other responsibility for repair and restoration of an alteration, which is to be covered by builder's risk insurance as set forth herein, shall be that of the Owner or its agent performing such construction or alteration, and the Association and all other insureds under such builder's risk policy shall release the proceeds of such insurance so as to permit such repair or restoration.

9.6 Procedure for Reconstruction and Repair.

(a) Subject to the last sentence of Section 9.5, promptly after a fire or other casualty causing damage to any portion of the Improvements, the Board shall obtain reliable and detailed estimates of the cost of repairing and restoring such Improvements to restore to a condition as good as that existing before such casualty. Such costs may also include professional and consulting fees and premium for such bonds as the Board determines to be necessary.

(b) Subject to the last sentence of Section 9.5, if the insurance proceeds are not sufficient to pay such estimated costs of reconstruction and repair, or if upon

completion of reconstruction and repair the funds for the payment of the costs thereof (from all sources including the obligation of tenants to restore) are insufficient, then the amount necessary to complete such reconstruction and repair may be obtained from the appropriate reserve for replacement funds and/or shall be deemed common expenses and a special assessment therefor shall be levied against all Owners in accordance with their respective interests. Such special assessment shall be payable within thirty (30) days of the notice thereof being delivered by the Association to the Owners.

(c) Any such reconstruction or repair shall be substantially in accordance with the original construction of the Improvements.

(d) Any restoration and repair work undertaken by the Association shall be performed in a good and workmanlike manner with a view to restoring the Improvements to a condition similar to that existing prior to such damage or destruction. All such restoration and repair work, whether done by the Association or an Owner, shall be effected in a manner so as to observe all Townhome Lot boundaries existing prior to such damage or destruction.

9.7 Association as Attorney-in-Fact. Each Owner, by acceptance or possession of title to a Townhome Lot, hereby irrevocably makes, constitutes and appoints the Association, and each and every of its successors in interest hereunder, as Owner's true and lawful attorney-in-fact, for and in Owner's name, place and stead, upon the damage or destruction of the Property, or any part thereof, or upon any determination by the Owners made pursuant to this Article, to take any and all actions, and to execute and deliver any and all instruments, as the Board may, in its reasonable discretion, deem necessary or advisable to effect the intents and purposes of this Article IX, hereby giving and granting unto the Association full power and authority to do and perform each and every act whatsoever requisite or necessary to be done in and about the Property as fully, to all intents and purposes, as an Owner might or could do, hereby ratifying and confirming whatsoever the Association may do by virtue hereof. The Association is hereby authorized, in the name and on behalf of all the Owners, to do and perform all actions necessary or appropriate to effect the intent and purposes of this Article as aforesaid, including, without limitation, the power and authority to make and settle claims under any insurance policies maintained by the Association, contract for and with respect to restoration and repair work to the Improvements, and to execute and deliver all instruments necessary or incidental to any such actions.

ARTICLE X
ARBITRATION

All allegations, claims, disputes and other matters in controversy between any Owners and/or any Owners and Declarant arising out of or relating to this Declaration, shall be decided by arbitration in accordance with the commercial arbitration rules promulgated by the American Arbitration Association ("AAA"), as in effect the date of any demand for arbitration hereunder. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such allegation, dispute, claim or controversy would be barred by any applicable statute of limitations or similar statute. Each Owner shall have all defenses based upon the applicable statute of limitations or repose determined by a court of law or at an arbitrator's preliminary hearing.

In any such arbitration proceeding, the proceeding shall be conducted in Houston, Texas, by a single arbitrator, if the amount in controversy is $1,000,000 or less, or by a panel of three arbitrators if the amount in controversy is over $1,000,000. All arbitrators shall be selected by the process of appointment from a panel pursuant to the AAA Commercial Arbitration Rules and each arbitrator shall be either an active attorney or retired judge with an AAA acknowledged expertise in the subject matter of the controversy, dispute or claim. To the extent permitted by applicable law, arbitrators shall have the power to award recovery of all costs and fees (including attorney's fees, administrative fees and arbitrator's fees) to the prevailing party.

Notwithstanding any of the foregoing, the parties hereto agree that no arbitrator or panel of arbitrators shall possess or have the power to (i) assess punitive damages, (ii) dissolve, rescind or reform (except that the arbitrator may construe ambiguous terms) this Declaration, (iii) exercise equitable powers or issue or enter any equitable remedies or (iv) allow discovery of attorney/client privileged information, and the parties hereby waive the aforementioned remedies. The Commercial Arbitration Rules of the AAA are hereby modified to this extent for the purpose hereof.

The foregoing agreement to arbitrate shall be enforceable under the prevailing Texas Arbitration Law. The award rendered by the arbitrator shall be final and binding upon all parties and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. In the event the arbitration provisions hereof are not upheld by any court and/or suit is filed by any party hereto the prevailing party in such litigation shall be entitled to be paid its attorney's fees, court costs and expenses associated with such litigation by the other party.

ARTICLE XI
UTILITIES

11.1 Utility Service. Utility service to the Property shall be provided by utility companies contracted with by each individual Owner, and shall be separately metered at each Townhome.

ARTICLE XII
EASEMENTS

12.1 Construction. Each Townhome and the Property included in the Common Area shall be subject to an easement for minor encroachments created by construction, reconstruction, repair, shifting, settling, movement, overhangs, brick ledges, balconies, fences, or other protrusions designed or constructed by Declarant. A valid easement for said encroachments and for the maintenance (if any) of same, so long as they stand, shall and does exist. In the event the Building structure containing two or more Townhomes is partially or totally destroyed, and then rebuilt, the Owners of the Townhomes so affected agree that minor encroachments onto parts of the adjacent Townhome units or Common Areas due to construction or repair shall be permitted and that a valid easement for such encroachment and the maintenance thereof shall exist.

12.2 Utilities and Emergencies. There is hereby created a blanket easement to enter upon, across, over, and under all of the Property for ingress, egress, installation, replacing, repairing, and maintaining all utilities, including, but not limited to water, sewers, gas, telephones and electricity, and master television antenna system; to the United States Postal

Service, its agents and employees, to enter upon the Common Area and Townhome Lots in the performance of mail delivery or any other United States Postal Services; and to all police, fire protection, ambulance, garbage and trash collection vehicles and all similar persons to enter upon the Common Area in the performance of their duties.

12.3 Surface Areas. The surface of easement areas for underground utility services may be paved for streets, driveways or walkways and/or may be used for planting or shrubbery, trees, lawns, or flowers. However, it is expressly agreed that neither the Declarant nor any supplier of any utility or service using any easement area shall be liable to any Owner for an damage done by them or either of them or their agents, employees, servants or assigns, to the pavement or to any of the aforesaid vegetation as a result of any activity relating to the construction, maintenance or repair of any facility in any such easement area.

ARTICLE XIII
GENERAL PROVISIONS

13.1 Term. The covenants and restrictions 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 land subject to this Declaration or any supplemental declaration, their respective legal representatives, heirs, successors and assigns, for an initial term of thirty (30) years from the date these covenants are recorded. During such initial term, the covenants and restrictions of this Declaration may be changed or terminated only by an instrument executed by the then Owners of ninety (90) percent of all the Townhome Lots within the Property, and properly recorded in the Official Public Records of Real Property of Brazos County, Texas. Upon the expiration of such initial term, unless terminated as below provided, said covenants and restrictions (as changed, if changed), and the enforcement rights relative thereto, shall be automatically extended for successive periods of ten (10) years each. During the last twelve (12) months of the initial term above stated and during any such ten (10) year automatic extension period, the covenants and restrictions of this Declaration may be changed or terminated only by an instrument signed by the then Owners of not less than two-thirds (2/3) of all the Townhome Lots in the Property and properly recorded in the Official Public Records of Real Property of Brazos County, Texas, provided no such change and/or amendment shall alter the effectiveness of these covenants and restrictions until the natural expiration of the original term or the automatic extension term then in effect.

13.2 Enforcement. The Association, any Owner, or the Declarant, and their respective successors and assigns, shall have the right to enforce by a proceeding at law or in equity all easements, restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration and in connection therewith shall be entitled to recover all reasonable collection costs and attorney's fees: Failure by the Association or by any other person entitled to enforce any covenant or restriction herein shall in no event be deemed a waiver of the right to do so thereafter. It is hereby stipulated, the failure or refusal of any Owner or any occupant of a Townhome Lot to comply with the terms and provisions hereof would result in irreparable harm to other Owners, to Declarant and to the Association. Thus, the covenants, conditions, restrictions and provisions of this Declaration may not only be enforced by an action for damages at law, but also may be enforced by injunctive or other equitable relief (i.e., restraining orders and/or injunctions) by any court of competent jurisdiction, upon the proof of the existence of any violation or any attempted or threatened violation. Any exercise of discretionary authority by the Association concerning a covenant created by this Declaration is

presumed reasonable unless the court determines by a preponderance of the evidence the exercise of discretionary authority was arbitrary, capricious or inconsistent with the scheme of the development (i.e., the architectural approval or disapproval for similar renovations relative to a given location within the Property). The Association on its own behalf or through the efforts of its management company may initiate, defend or intervene in litigation or any administrative proceeding affecting the enforcement of a covenant created by this instrument or for the protection, preservation or operation of the Property covered by this Declaration. Notification will be deemed to have been given upon deposit of a letter in the U. S. mail addressed to the Owner alleged to be in violation. Any cost that has accrued to the Association pursuant to this Section shall be secured and collectable in the same manner as established herein for the security and collection of regular assessments as provided in Article VII.

13.3 Severability. Invalidation of any one of these covenants by judgment or other court order shall in no way affect any of the other provisions which shall remain in full force and effect.

13.4 FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional land into the Properties, merger and consolidation, mortgaging of Common Area or Common Facilities, if any, dedication of Common Area, or any portion thereof, and dissolution or amendment of this Declaration.

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

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

13.7 Annexation. Additional residential property and "Common Area" may be annexed to the Properties:

(a) With the consent of two-thirds (2/3) of each class of members, provided that the Federal Housing Administration or the Veterans Administration shall determine that the annexation is in accord with the general plan for the entire development heretofore approved by them, if required at that time, or

(b) Notwithstanding anything contained in (a) above, additional land representing future sections or phases of Canyon Creek may be annexed from time to time by the Declarant, its successors or assigns, without the consent of other Owners, or their mortgagees, within thirty (30) years of the date of recording of this Declaration of Covenants, Conditions and Restrictions, provided that the Federal Housing Administration or the Veterans Administration shall determine that the annexation is in accord with the general plan for the entire development heretofore approved by them, if required at that time;

(c) The annexation addition may be accomplished by the execution and filing for record by the Owner of the property being added or annexed, and by the Federal Housing Administration ("FHA") and/or the Veterans Administration ("VA") if FHA or VA approval is required pursuant to Sections 13.7(a) or 13.7(b) hereof, of an instrument which may be called "Supplemental Declaration" which shall at least set out and provide in substance; the name of the Owner of the proper being added or annexed who shall be called the "Declarant;" the perimeter description of the property being added or annexed; the description of the residential areas and of the Common Area of the property being added or annexed and the rights and easements of the Owner in and to the Common Area; that the property is being added or annexed in accordance with the provisions of this Declaration of Covenants, Conditions and Restrictions, and that the property being annexed shall be developed, held, used, sold, and conveyed in accordance with and subject to the provisions of this Declaration of Covenants, Conditions and Restrictions; that all of the provisions of this Declaration of Covenants, Conditions and Restrictions shall apply to the property being added or annexed with the same force and effect as if said property were originally included therein as part of the original development; that the property being added or annexed is submitted to the jurisdiction of the Association with the same force and effect as if said property were originally included in this Declaration of Covenants, Conditions and Restrictions as part of the original development; and, such "Supplemental Declaration" may contain such other provisions which are not inconsistent with the provisions of this Declaration of Covenants, Conditions and Restrictions or the general scheme or plan of Canyon Creek, as a residential development. Nothing in this Declaration shall be construed to represent or imply that Declarant, its successors or assigns, are under any obligation to add or annex additional property to this residential development;

(d) At such time as the "Supplemental Declaration" is filed for record as hereinabove provided in the annexation shall be deemed accomplished and the annexed area shall be a part of the Properties and subject to each and all of the provisions of this Declaration of Covenants, Conditions and Restrictions and to the jurisdiction of the Association in the same manner and with the same force and effect as if such annexed property had been originally included in this Declaration of Covenants, Conditions and Restrictions as part of the original development;

(e) After additions or annexations are made to the development, all assessments collected by the Association from the Owners in the annexed areas shall be commingled with the assessments collected from all other Owners so that there shall be a common maintenance for the Properties.

13.8 Amendment. This Declaration may be amended by a written instrument signed by the then Owners of two-thirds (2/3) of all the Townhome Lots on the Property and properly recorded in the Official Public Records of Real Property of Brazos County, Texas; provided however, that so long as there is a Class B membership, any amendment of this Declaration shall also require the prior approval of the Federal Housing Administration or the Veterans Administration.

ARTICLE XIV
RATIFICATION: LIENHOLDER

14.1 Commerce National Bank, the owner and holder of a lien or liens covering the Property has executed this Declaration to evidence its joinder in, consent to, and ratification of the foregoing Covenants, Conditions and Restrictions.

EXECUTED this 15th day of February, 2002.

CANYON CREEK PARTNERS, LTD,
a Texas limited partnership

By: American Collegiate Housing, Inc.,
a Texas corporation, its general partner

By: Todd P. Sullivan
Name: TODD P. SULLIVAN
Title: PRESIDENT

LIENHOLDER:

Commerce National Bank, A branch of
Lubbock National Bank

By: Tom N. [illegible]
Title: Senior Vice President

THE STATE OF TEXAS §
§
COUNTY OF BRAZOS §

BEFORE ME, the undersigned authority, on this day personally appeared Todd P. Sullivan, President of American Collegiate Housing, Inc., a Texas corporation, general partner of Canyon Creek Partner, Ltd., a Texas limited partnership, on behalf of said partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 15th day of February, 2002.

CHRISTINE R. BARNETT
Notary Public, State of Texas
My Commission Expires
DECEMBER 27, 2004

Christine R. Barnett
Notary Public in and for the State of Texas

THE STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared Thomas H. Aughinbaugh III, Sr. Vice Pres., of Commerce National Bank, who is known to me to be the person whose name is subscribed to the foregoing instrument, acknowledged to me that (s)he executed the same 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 February, 2002.

Christine R. Barnett
Notary Public in and for the State of Texas

After recording return to:

John G. Cannon
Winstead Sechrest & Minick P.C.
910 Travis, Suite 2400
Houston, Texas 77002

CHRISTINE R. BARNETT
Notary Public, State of Texas
My Commission Expires
DECEMBER 27, 2004

Bill & Return to:
University Title Company
P.O. Drawer DT
College Station, Texas 77841

Bk Vol Pg
0784725 OR 4769 235

GF# 21652 Lm

SUPPLEMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE TOWNHOMES AT CANYON CREEK

This Supplement to Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek is executed by Canyon Creek Partners, Ltd., a Texas limited partnership ("Declarant") effective as of August 1, 2002.

Declarant executed that certain Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek dated 15 FEBRUARY, 2002 and filed for record in the office of the County Clerk of Brazos County, Texas under Clerk's File No. 00774889 (the "Declaration"). Section 3.18 of the Declaration permits Declarant to prepare, execute and record a supplement to the Declaration to correct or clarify language in the Declaration which is susceptible of conflicting interpretations, and Declarant believes that certain provisions of Article III of the Declaration are subject to conflicting interpretations.

Therefore, in accordance with the provisions of Section 3.18 of the Declaration, Article III, Section 3.1 (b) of the Declaration is hereby clarified, corrected and restated in its entirety to read as follows:

"ARTICLE III
USE RESTRICTIONS

3.1 Land Use and Building Type

(b) Garages: No garage shall ever be changed, altered or otherwise converted for any purpose inconsistent with the housing of automobiles at all times. All Owners, their families, tenants and contract purchasers shall, to the greatest extent practicable, utilize such garages for the garaging of vehicles belonging to them. All garage doors must be closed when not in use (vehicles entering or exiting) and/or between the hours of 9:00 PM and 7:00 AM

Executed to be effective as of the date first set forth above.

CANYON CREEK PARTNERS, LTD,
a Texas limited partnership

By: American Collegiate Housing, Inc.,
a Texas corporation, its general partner

By: Todd P. Sullivan
Name: TODD P. SULLIVAN
Title: PRESIDENT

C Bk Vol Pg
J784725 OR 4769 236

THE STATE OF TEXAS §
§
COUNTY OF BRAZOS §

BEFORE ME, the undersigned authority, on this day personally appeared Todd P. Sullivan, President of American Collegiate Housing, Inc., a Texas corporation, general partner of Canyon Creek Partner, Ltd., a Texas limited partnership, on behalf of said partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 6th day of August, 2002.

Leola Michelle Maxey
Notary Public in and for the State of Texas

LEOLA MICHELLE MAXEY
MY COMMISSION EXPIRES
July 3, 2004

After recording return to:

John G. Cannon
Winstead Sechrest & Minick P.C.
910 Travis, Suite 2400
Houston, Texas 77002

HOUSTON_1\588862\1
39080-1 08/02/2002

Filed for Record in:
BRAZOS COUNTY
On: Aug 06,2002 at 02:45P
As a
Recordings
Document Number: 00784725
Amount 8.00
Receipt Number - 200105
By,
Mary Garcia

STATE OF TEXAS COUNTY OF
I hereby certify that this instrument was
filed on the date and time stamped hereon by me
and was duly recorded in the volume and page
of the named records of:
BRAZOS COUNTY
as stamped hereon by me.

Aug 06,2002

HONORABLE KAREN KEESEE, COUNTY CLERK
BRAZOS COUNTY

Bill & Return to:
University Title Company
P.O. Drawer DT
College Station, Texas 77841

C Bk Vol Pg
00784724 OR 4769 229

GF# 21652 Lm

SUPPLEMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE TOWNHOMES AT CANYON CREEK

This Supplement to Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek is executed by Canyon Creek Partners, Ltd., a Texas limited partnership ("Declarant") effective as of August 1, 2002.

Declarant executed that certain Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek dated 15 FEBRUARY, 2002 and filed for record in the office of the County Clerk of Brazos County, Texas under Clerk's File No. 00774889 (the "Declaration"). Section 3.18 of the Declaration permits Declarant to prepare, execute and record a supplement to the Declaration to correct or clarify language in the Declaration which is susceptible of conflicting interpretations, and Declarant believes that certain provisions of Article IX of the Declaration are subject to conflicting interpretations.

Therefore, in accordance with the provisions of Section 3.18 of the Declaration, Article IX of the Declaration is hereby clarified, corrected and restated in its entirety to read as follows:

"ARTICLE IX
INSURANCE AND CASUALTY

9.1 Insurance-General.

(a) By acceptance of a deed to a Townhome Lot, each Owner shall be deemed to have irrevocably appointed the Association (which appointment shall be deemed a power coupled with an interest), together with any insurance trustee, successor trustee or authorized representative designated by the Association, as such Owner's attorney-in-fact for the purpose of purchasing and maintaining the insurance required hereunder as well as for submission of and adjustment of any claim for loss, the collection and appropriate disposition of the proceeds thereof, the negotiation of losses and execution of releases of liability, the execution of all documents, and the performance of all other acts necessary to accomplish such purpose. The Association or such trustee, successor trustee or authorized representative must receive, hold or otherwise properly dispose of any proceeds of insurance in trust for the Owners, and their mortgagees as their interests may appear based on the fair market value of the interests damaged or destroyed. Any proceeds paid under any such policy shall be disbursed first for the repair or restoration of any damaged Common Facilities and Townhomes, and no Owner or lienholder shall receive payment of any portion of such proceeds unless a surplus remains after the Townhome has been completely restored.

(b) Each policy of insurance maintained by the Association shall provide that:

(i) The Association shall be named as the insured;

(ii) Each Owner is an insured person under such policies with respect to liability arising out of the Owner's ownership of any undivided interest in the Common Area or membership in the Association;

(iii) Insurance trust agreements will be recognized;

(iv) Any right to claim (A) by way of subrogation against the Declarant, the Board, the Owners, and their respective agents and employees, and (B) invalidity arising from acts of the insured is waived;

(v) The coverage of the policy is not prejudiced by any act or omission of an Owner to the extent that such act or omission is not within the collective control of all Owners;

(vi) Such policy is primary insurance if at the time of a loss under the policy any Owner has other insurance covering the same property covered by the policy;

(vii) No act or omission by any Owner, unless validly exercised on behalf of the Association, will void the policy or be a condition to recovery under the policy; and

(viii) Such policy may not be cancelled, not renewed or substantially modified without prior written notice to the Association and, in the case of physical damage and fidelity insurance, to all Owners and to all mortgagees.

(c) The Declarant, so long as Declarant shall own any Townhome Lot shall be protected by all such policies as an Owner.

(d) The Board shall have the express authority, on behalf of the Association, to name as insured an authorized representative, including any trustee (or successor thereto) with whom the Association has entered into any insurance trust agreement, which authorized representative shall have exclusive authority to negotiate losses under any policy providing the property or liability insurance required to be provided herein.

(e) The cost of all insurance required to be carried hereunder by the Association shall be a common expense paid from the regular assessments.

9.2 Physical Damage Insurance.

(a) The Association shall obtain and maintain a policy of insurance (an "All Risk Policy") against fire and such other hazards within the meaning of "all risk" insuring the Improvements and naming the Association as insured as trustee for the use and benefit of all Owners and their mortgagees as their interests may appear subject, however, to loss payment and adjustment provisions in favor of the Board, in an amount equal to one hundred percent (100%) of the then current replacement cost of the Townhomes exclusive of land, excavations, foundations and other items usually excluded from such coverage, such amount to be re-determined periodically by the Board with the assistance of the insurance company affording such coverage. The portion of the Townhomes insured shall include, without limitation, all original improvements (and replacements thereof) to the exterior of the Townhomes and

replacements of the foregoing, but shall exclude additions or betterments to the Townhomes and to the interior of the Townhomes, cabinets and original appliances, water heaters, HVAC units, the paint, texture and/or wall coverings of interior walls. Any deductible shall not exceed 1% of the replacement cost. The insurance company's determination of the amount of coverage required shall be binding and conclusive on the Association and each Owner for purposes of the coverage required by this Section. A stipulated value or agreed amount endorsement deleting the co-insurance provision of the policy shall be provided with such insurance. If not otherwise included within the "All Risks" coverage specified above, then the Association shall carry or cause to be carried, by endorsement to such "All Risks" policy, coverage against damage due to water and sprinkler leakage, flood and collapse and shall be written with limits of coverage typically required with respect to facilities similar to the Townhomes.

(b) Notwithstanding Section 9.2(a): (i) during the course of alteration of any improvements to a Townhome, the party causing the alterations to be performed (or its contractor) shall carry replacement cost builder's risk insurance as to the alterations, naming (in addition to such party and its contractor) the Owner of the Townhome, and the Association (as loss payee) and any mortgagee(s) of the Owner as insureds, as their interests may appear.

(c) Each All Risk Policy shall also provide (unless otherwise provided):

(i) The following endorsements (or equivalent): "contingent liability from operation of building laws", "demolition cost", "increased cost of construction", "agreed amount" or its equivalent and "inflation guard," if available.

(ii) That any "other insurance" clause expressly excludes individual Owners' or lessees' policies from its operation so that the physical damage policy purchased by the Association shall be deemed primary coverage and any individual Owners' or lessees' policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Association hereunder provide for or be brought into contribution with insurance purchased by individual Owners or their mortgagees, unless otherwise required by law.

(iii) The right of subrogation against the Declarant and the Owners shall be waived.

(d) A duplicate original of the policy of physical damage insurance, all renewals thereof and any subpolicies or certificates and endorsements issued thereunder together with proof of payment of premium shall be delivered by the insurer to any mortgagee so requesting at least 10 days prior to expiration of the then current policy. All mortgagees shall be notified of any event giving rise to a claim under such policy in excess of $10,000 (in the case of damage to the Townhome covered by such mortgagee's lien).

(e) The Association shall not obtain any policy of insurance where (i) under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against the Owner or mortgagee or become a lien against the Townhome; or (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders or members; or (iii) the policy includes any limiting clauses (other than

insurance conditions) which could prevent the Association, Owners or mortgagees from collecting insurance proceeds.

9.3 Liability Insurance. The Association shall obtain and maintain commercial general public liability and property damage insurance in such limits as the Board may from time to time determine (but not less than one million dollars ($1,000,000) for bodily injury or property damage for any single occurrence), insuring the Association, each member of the Board, each Owner, and the Declarant, against any liability to the public arising out of, or incident to the ownership or use of the Common Areas and Joint Upkeep Areas. Such insurance shall be issued on a comprehensive liability basis and shall contain a cross-liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured. The Board shall review such limits periodically. "Umbrella" liability insurance in excess of the primary limits may also be obtained. The obtaining of liability insurance shall not constitute a waiver of sovereign immunity or any other defense by any person.

9.4 Separate Insurance. Each Owner shall have the right and responsibility, at his own expense, to obtain insurance for his personal property and for such other risks as he may desire (including an "All Risk Policy" against the contents of his Townhome, liability insurance, business interruption and workmen's compensation insurance); provided, however, that no Owner shall be entitled to exercise his right to acquire or maintain such insurance coverage so as to decrease the amount which the Association may realize under any insurance policy maintained by the Association or to cause any insurance coverage maintained by the Association to be brought into contribution with insurance coverage obtained by an Owner. Each Owner shall have the right and responsibility, at his own expense, to obtain such liability coverage as he shall deem prudent. All such policies shall contain waivers of subrogation as against other Owners, the Association, its Board, the Declarant, and their respective agents and employees.

9.5 When Repair and Reconstruction are Required. Each Owner and each mortgagee, in the event of damage to or destruction of all or any of the Improvements as a result of fire or other casualty agree that the Board shall arrange for and supervise the prompt repair and restoration of the Improvements. Notwithstanding the foregoing or anything herein to the contrary, except as otherwise agreed to in a document signed by the Association, the affected Owner and its mortgagee, the cost and other responsibility for repair and restoration of an alteration, which is to be covered by builder's risk insurance as set forth herein, shall be that of the Owner or its agent performing such construction or alteration, and the Association and all other insureds under such builder's risk policy shall release the proceeds of such insurance so as to permit such repair or restoration.

9.6 Procedure for Reconstruction and Repair.

(a) Subject to the last sentence of Section 9.5, promptly after a fire or other casualty causing damage to any portion of the Improvements, the Board shall obtain reliable and detailed estimates of the cost of repairing and restoring such Improvements to restore to a condition as good as that existing before such casualty. Such costs may also include professional and consulting fees and premium for such bonds as the Board determines to be necessary.

(b) Subject to the last sentence of Section 9.5, if the insurance proceeds are not sufficient to pay such estimated costs of reconstruction and repair, or if upon completion of reconstruction and repair the funds for the payment of the costs thereof (from all sources including the obligation of tenants to restore) are insufficient, then the amount necessary to complete such reconstruction and repair may be obtained from the appropriate reserve for replacement funds and/or shall be deemed common expenses and a special assessment therefor shall be levied against all Owners in accordance with their respective interests. Such special assessment shall be payable within thirty (30) days of the notice thereof being delivered by the Association to the Owners.

(c) Any such reconstruction or repair shall be substantially in accordance with the original construction of the Improvements.

(d) Any restoration and repair work undertaken by the Association shall be performed in a good and workmanlike manner with a view to restoring the Improvements to a condition similar to that existing prior to such damage or destruction. All such restoration and repair work, whether done by the Association or an Owner, shall be effected in a manner so as to observe all Townhome Lot boundaries existing prior to such damage or destruction.

9.7 Association as Attorney-in-Fact. Each Owner, by acceptance or possession of title to a Townhome Lot, hereby irrevocably makes, constitutes and appoints the Association, and each and every of its successors in interest hereunder, as Owner's true and lawful attorney-in-fact, for and in Owner's name, place and stead, upon the damage or destruction of the Property, or any part thereof, or upon any determination by the Owners made pursuant to this Article, to take any and all actions, and to execute and deliver any and all instruments, as the Board may, in its reasonable discretion, deem necessary or advisable to effect the intents and purposes of this Article IX, hereby giving and granting unto the Association full power and authority to do and perform each and every act whatsoever requisite or necessary to be done in and about the Property as fully, to all intents and purposes, as an Owner might or could do, hereby ratifying and confirming whatsoever the Association may do by virtue hereof. The Association is hereby authorized, in the name and on behalf of all the Owners, to do and perform all actions necessary or appropriate to effect the intent and purposes of this Article as aforesaid, including, without limitation, the power and authority to make and settle claims under any insurance policies maintained by the Association, contract for and with respect to restoration and repair work to the Improvements, and to execute and deliver all instruments necessary or incidental to any such actions. The Association shall have the right to change the foregoing coverages to reflect changes in policy forms and endorsements or if it would be commercially reasonable to obtain alternative insurance; however, in no event shall the Association ever not maintain liability insurance and property and casualty insurance."

Executed to be effective as of the date first set forth above.

C Bk Vol Pg
784724 OR 4769 234

CANYON CREEK PARTNERS, LTD,
a Texas limited partnership

By: American Collegiate Housing, Inc.,
a Texas corporation, its general partner

By: Todd P. Sullivan
Name: Todd P. Sullivan
Title: President

THE STATE OF TEXAS §
§
COUNTY OF BRAZOS §

BEFORE ME, the undersigned authority, on this day personally appeared Todd P. Sullivan, President of American Collegiate Housing, Inc., a Texas corporation, general partner of Canyon Creek Partner, Ltd., a Texas limited partnership, on behalf of said partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 6th day of August, 2002.

Leola Michelle Maxey
Notary Public in and for the State of Texas

LEOLA MICHELLE MAXEY
MY COMMISSION EXPIRES
July 3, 2004

After recording return to:

John G. Cannon
Winstead Sechrest & Minick P.C.
910 Travis, Suite 2400
Houston, Texas 77002

HOUSTON_1\588862\1
39080-1 08/02/2002

Filed for Record in:
BRAZOS COUNTY
On: Aug 06,2002 at 02:45P
As a
Recordings
Document Number 00784724
Amount 15.00
Receipt Number - 200186
By
Mary Garcia

STATE OF TEXAS COUNTY OF
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of:
BRAZOS COUNTY
as stamped hereon by me.
Aug 06, 2002

HONORABLE KAREN KOHLER, COUNTY CLERK
BRAZOS COUNTY

CANYON CREEK OWNERS ASSOCIATION, INC.
RAIN BARREL POLICY

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

WHEREAS, the property encumbered by this Rain Barrel Policy is that property restricted by the Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek, recorded under Brazos County Clerk's File No. 00774889, as same has been or may be amended from time to time ("Declaration"), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Canyon Creek Owners Association, Inc. (the "Association"); and

WHEREAS, any reference made herein to approval by the Architectural Control Committee ("ACC"), means prior written approval by the ACC.

NOW THEREFORE, pursuant to the authority granted in Section 202.007(d) of the Texas Property Code, the Board of Directors (the "Board"), hereby adopts this Rain Barrel Policy ("Policy"), which shall run with the land and be binding on all owners and lots within the subdivision. This Policy replaces any previously recorded or implemented policy that addresses the subjects contained herein.

An application must be submitted for review by the ACC, and formal written approval from the ACC shall be required before installation may begin.

I. RAIN BARRELS

A. Prohibited Rainwater Harvesting Systems/Rain Barrels

Rainwater harvesting systems or rain barrels (collectively referred to herein as "Rain Barrels") are prohibited in the following circumstances:

1. Rain Barrels that are located on property owned by the Association;
2. Rain Barrels that are located on property that is owned in common by the members of the Association;
3. Rain Barrels that are located between the front of the owner's home and an adjoining or adjacent street;
4. Rain Barrels that are of a color not consistent with the color scheme of the home; and
5. Rain Barrels that display language or content other than the manufacturer's typical display.

B. Rain Barrels Located in Area Visible from a Street, Lot, or Common Area:

Rain Barrels that are located on the side of a house or at any other location that is visible from a street, another lot, or a common area must comply with the following:

1. Rain Barrels must have adequate screening, as determined by the ACC;

2. Only commercial and professional grade Rain Barrels are permitted;

3. All Rain Barrels must be fully enclosed and have a proper screen or filter to prevent mosquito breeding and harboring; and

4. Rain Barrels may not create unsanitary conditions or be of nuisance to any neighboring properties.

II. ACC APPROVAL

Applicant's submission of plans must include a completed application for ACC review and a site plan showing the proposed location of the improvement, along with pictures showing the location of the modification and the manufacturer's brochures or sample of material, if applicable. The color of the materials being used in relation to the house color, the visibility from public streets and neighboring properties/common areas and any noise created are of specific concern to the Association and the ACC.

Any installation not in compliance with this Policy will be considered a deed restriction violation.

This Rain Barrel Policy does not apply to property that is owned or maintained by the Association.

CERTIFICATION

I hereby certify that, as Secretary of the Canyon Creek Owners Association, Inc., the foregoing Rain Barrel Policy was approved on the 23rd day of JUNE, 2012, at a meeting of the Board of Directors at which a quorum was present.

DATED, this the 5th day of JULY, 2012.

William C. Records

Print Name: WILLIAM C. RECORDS
Title: Secretary

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

BEFORE ME, on this day personally appeared William C. Records, the Secretary of the Canyon Creek Owners Association, Inc., known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal this the 5th day of July, 2012.

Brenda S Bierman

Notary Public – State of Texas

BRENDA S. BIERMAN
MY COMMISSION EXPIRES
June 26, 2015

After Recording Please Return To:
Stephanie L. Quade
Roberts Markel Weinberg P.C.
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056

CANYON CREEK OWNERS ASSOCIATION, INC.
DISPLAY OF RELIGIOUS ITEMS POLICY

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

WHEREAS, the property encumbered by this Display of Religious Items Policy is that property restricted by the Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek, recorded under Brazos County Clerk's File No. 00774889, as same has been or may be amended from time to time ("Declaration"), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Canyon Creek Owners Association, Inc. (the "Association").

NOW THEREFORE, pursuant to the authority granted in Section 202.018 of the Texas Property Code, the Board of Directors (the "Board"), hereby adopts this Display of Religious Items Policy ("Policy"), which shall run with the land and be binding on all owners and lots within the subdivision. This Policy replaces any previously recorded or implemented policy that addresses the subjects contained herein.

DISPLAY OF RELIGIOUS ITEMS

Owners and residents are generally permitted to display or affix one or more religious items on the entry to their dwelling, the display of which is motivated by the owner's or resident's sincere religious belief.

The display or affixing of a religious item on the entry to the owner's or resident's dwelling is prohibited under the following circumstances:

1. The item threatens the public health or safety;

2. The item violates a law;

3. The item contains language, graphics or any display that is patently offensive to a passerby;

4. The item is in a location other than the entry door or door frame or extends past the outer edge of the door frame of the owner's or resident's dwelling; and

5. The item, individually or in combination with other religious item(s) displayed or affixed on the entry door or door frame, has a total size of greater than 25 square inches.

The Association, pursuant to Section 202.018 of the Texas Property Code, may remove an item displayed in violation of this Policy.

This Policy in no way authorizes an owner or resident to use a material or color for an entry door or door frame of the owner's or resident's dwelling or make an alteration to the entry door or door frame that is not authorized by the Declaration.

CERTIFICATION

I hereby certify that, as Secretary of the Canyon Creek Owners Association, Inc., the foregoing Display of Religious Items Policy was approved on the 23RD day of JUNE, 2012, at a meeting of the Board of Directors at which a quorum was present.

DATED this the 5TH day of JULY, 2012.

William C. Records

Print Name: WILLIAM C. RECORDS
Title: Secretary

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

BEFORE ME, on this day personally appeared William C. Records, the Secretary of the Canyon Creek Owners Association, Inc., known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 5th day of July, 2012.

Brenda S. Bierman

Notary Public – State of Texas

BRENDA S. BIERMAN
MY COMMISSION EXPIRES
June 26, 2015

After Recording Please Return To:
Stephanie L. Quade
Roberts Markel Weinberg P.C.
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056

CANYON CREEK OWNERS ASSOCIATION, INC.
COLLECTION POLICY AND PAYMENT PLAN GUIDELINES

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

WHEREAS, the property encumbered by these Collection Policy and Payment Plan Guidelines (the "Guidelines") is that property restricted by the Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek, recorded under Brazos County Clerk's File No. 00774889, as same has been or may be amended from time to time ("Declaration"), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Canyon Creek Owners Association, Inc. (the "Association"); and

WHEREAS, pursuant to Chapter 209 of the Texas Property Code, the Board of Directors (the "Board") of the Association hereby adopts these Guidelines for the purposes of establishing a uniform and systematic procedure to collect assessments and other charges of the Association and identify the guidelines under which owners may request an alternative payment schedules for certain assessments; and

WHEREAS, the Board has determined that it is in the best interest of the Association to establish these Guidelines.

NOW, THEREFORE, BE IT RESOLVED THAT the Association does hereby adopt this Collection Policy and Payment Plan Guidelines, which shall run with the land and be binding on all owners and lots within the subdivision. These Guidelines replace any previously recorded or implemented guidelines that address the subjects contained herein.

I. COLLECTION POLICY

1. ASSESSMENT PERIOD

The Board has the duty of establishing and adopting an annual budget, in advance, for each fiscal year of the Association covering the estimated costs of operation of the Association during each calendar year.

2. NOTICE

The Board shall fix the amount of the annual assessment against each lot for the following year and shall, at that time, prepare a roster of the lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any owner. Upon completion of the roster, written notice of the assessment may be sent to every owner subject to the assessment. An owner may not escape liability or be entitled to a deferral of interest, fines or collection costs with regard to delinquent assessments on the basis of such owner's failure to receive notice, if such notice was sent

via regular mail to the most recent address of the owner according to the records of Association. Each owner shall have the obligation to notify the Association in writing of any change in address which shall become effective five days after written notice has been received.

3. DUE DATE

All assessments are due on an annual basis, as determined by a majority of the Board for that assessment year. If any assessment due the Association is not paid on the date when due, then such assessment shall be become delinquent thirty (31) days after the due date. Charges disputed by an owner are considered delinquent until such time as they are paid in full.

Payments received after the due date are considered delinquent and the entire amount due may be transferred to a Payment Plan as set forth in Section II of these Guidelines.

4. INTEREST

If the assessment is not paid within thirty (31) days after the due date, the assessment shall bear interest from the due date at the rate set forth in the Declaration until the assessment is paid in full.

5. DELINQUENCY NOTIFICATION

The Association may cause to be sent the following notification(s) to delinquent owners:

a. PAST DUE NOTICE: In the event that an assessment account balance remains unpaid thirty (30) days from the due date, a Past Due Notice may be sent via regular mail to each owner with a delinquent account setting forth all assessments, interest and other amounts due. The Past Due Notice will contain a statement that the entire remaining unpaid balance of the Assessment is due and that the owner is entitled to a Payment Plan as set forth in Section II of these Guidelines. **In the event an owner chooses to enter a Payment Plan, a monthly charge may be added to each delinquent Owner's account balance for administrative costs related to the Payment Plan and such additional administrative costs will continue until the entire balance is paid in full.**

b. FINAL NOTICE: In the event the entire assessment is not paid in full or there is a default on the Payment Plan, where an assessment account balance remains unpaid sixty (60) days or later from the due date, a Final Notice may be sent via certified mail to each delinquent owner. The Final Notice will set forth the following information and the result of failure to pay, including an explanation of:

    1. AMOUNTS DUE: All delinquent assessments, interest and other amounts due;
    2. HEARING: Owners shall be given notice and opportunity for a hearing before the Board. A hearing shall be granted if a written request for a hearing is received by the Association not more than thirty (30) days from the owner's receipt of the Final Notice.

If a hearing is requested within 30 days from receipt of the Final Notice, further collection procedures are suspended until the hearing process is completed. The Board shall set a hearing date not later than 30 days after receipt of owner's request for a hearing. Either party may request a postponement, which shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of both parties. Further collection steps will be determined by the action of the Board;

3. COMMON AREA RIGHTS SUSPENSION: If a hearing is not requested within 30 days from receipt of the Final Notice, the owner's use of recreational facilities and common properties may be suspended; and

4. MILITARY NOTICE: If the owner is serving on active military duty, the owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act.

c. NOTICE OF TURNOVER TO COLLECTION AGENT/ATTORNEY: If a hearing is not requested within 30 days from receipt of the Final Notice, member privileges will be suspended, the account may be sent to a collection agent and/or the Association's attorney for collection and any fees and expenses will be charged to the owner's assessment account. An owner may not be charged fees of a collection agent (as same is defined in Property Code §209.0064) or legal counsel unless the Association first provides written notice to the owner by certified mail, return receipt requested, that:

1. Specifies each delinquent amount and the total amount of the payment required to make the account current;

2. Describes the options the owner has to avoid having the account turned over to a collection agent or legal counsel, including information regarding availability of a payment plan through the Association; and

3. Provides a period of at least thirty (30) days for the owner to cure the delinquency before further collection action is taken.

6. REFERRAL OF ACCOUNT TO ASSOCIATION'S ATTORNEY

Upon referral of the account to the Association's attorney, the attorney is authorized to take whatever action is necessary, in consultation with the Board, including but not limited to: sending demand letters, filing a lawsuit against the delinquent owner for a money judgment, instituting an expedited foreclosure action; and, filing necessary claims, objections and motions in the bankruptcy court and monitoring the bankruptcy case in order to protect the Association's interests.

In the event the Association has determined to foreclose its lien provided in the Declaration, and to exercise the power of sale thereby granted, such foreclosure shall be accomplished pursuant to the requirements of Section 209.0092 of the Texas Property

Code by first obtaining a court order in an application for expedited foreclosure under the rules adopted by the Supreme Court of Texas.

7. BANKRUPTCIES

Upon receipt of any notice of a bankruptcy of an owner, the account may be turned over to the Association's attorney so that the Association's interests may be protected.

8. REQUIRED ACTION

Nothing contained herein, not otherwise required by the Declaration or by law, shall require the Association to take any of the specific actions contained herein. The Board of the Association shall have the right, but not the obligation, to evaluate each delinquency on a case-by-case basis as in its best judgment deems reasonable.

9. PAYMENTS RETURNED NON-SUFFICIENT FUNDS

An owner will be assessed a service charge for any check that is returned or Automatic Clearing House (ACH) debit that is not paid for any reason, including but not limited to Non-Sufficient Funds (NSF) or stop payment order. The amount of the service charge assessed will be the customary amount charged.

II. PAYMENT PLAN

The Association hereby establishes a Payment Plan schedule by which an owner may make partial payments to the Association for delinquent regular or special assessments, or any other amount owed to the Association without accruing additional monetary penalties. Monetary penalties do not include interest or reasonable costs associated with administering the Payment Plan. The Payment Plan Schedule is as follows:

a. The term for the Payment Plan is six (6) months;

b. A Payment Plan shall require twenty percent (20%) of the delinquent amount to be paid at the inception of the Payment Plan, with the balance being due and payable in five (5) equal payments due on the first day of each month;

c. Failure to pay the initial payment of twenty percent (20%) of the delinquent amount shall be considered a default of the Payment Plan;

d. An owner, upon written request, may request a longer period of time;

e. The Association is not required to honor the terms of a previous Payment Plan during the two (2) years following an owner's default under a previous Payment Plan;

f. If an owner requests a Payment Plan that will extend into the next assessment cycle, the owner will be required to pay future assessments by the due date in addition to the payments specified in the Payment Plan.

III. APPLICATION OF PAYMENTS

A. Except as provided in subsection B immediately below, a payment received by the Association shall be applied in the following order of priority:

1. Any delinquent assessment;
2. Any current assessment;
3. Attorney's fees or third party collection costs incurred by the Association associated solely with assessments or other charge that can be the basis of foreclosure;
4. Attorney's fees not subject to "3" above;
5. Fines;
6. Any other amount owed to the Association.

B. If/when an owner defaults on a Payment Plan, the remaining delinquent amount will become due in full and the Association may begin further collection action as set out above in Article I(5)(b). Any payment(s) received by the Association after such default of a Payment Plan shall be applied in the following order of priority:

1. Costs;
2. Attorney fees;
3. Interest;
4. Late fees;
5. Delinquent assessments;
6. Current assessments; and
7. Fines

As to each category identified in this subsection B, payment shall be applied to the most-aged charge first. The acceptance of a partial payment on an owner's account does not constitute a waiver of the Association's right to collect the full outstanding balance due on said owner's account.

CERTIFICATION

I hereby certify that, as Secretary of the Canyon Creek Owners Association, Inc., the foregoing Collection Policy and Payment Plan Guidelines were approved on the 23rd day of JUNE, 2012, at a meeting of the Board of Directors at which a quorum was present.

DATED, this the 5th day of JULY, 2012.

William C. Records

Print Name: WILLIAM C. RECORDS
Title: Secretary

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

BEFORE ME, on this day personally appeared William C. Records, the Secretary of the Canyon Creek Owners Association, Inc., known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal this the 5th day of July, 2012.

Brenda S Bierman

Notary Public – State of Texas

BRENDA S. BIERMAN
MY COMMISSION EXPIRES
June 26, 2015

After Recording Please Return To:
Stephanie L. Quade
Roberts Markel Weinberg P.C.
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056

CANYON CREEK OWNERS ASSOCIATION, INC.
FLAG DISPLAY POLICY

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

WHEREAS, the property encumbered by this Flag Display Policy is that property restricted by the Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek, recorded under Brazos County Clerk's File No. 00774889, as same has been or may be amended from time to time ("Declaration"), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Canyon Creek Owners Association, Inc. (the "Association"); and

WHEREAS, any reference made herein to approval by the Architectural Control Committee ("ACC"), means prior written approval by the ACC.

NOW THEREFORE, pursuant to the authority granted in Section 202.011 of the Texas Property Code, the Board of Directors (the "Board"), hereby adopts this Flag Display Policy ("Policy"), which shall run with the land and be binding on all owners and lots within the subdivision. This Policy replaces any previously recorded or implemented policy that addresses the subjects contained herein.

I. FLAG DISPLAY

The display of flags is permitted under the following parameters:

1. Owners may have a total of one (1) flagpole per lot. Flags must be attached to a flagpole in order to be displayed;

2. Any of the following flags may be displayed on the single permitted flagpole:
   a. U.S. flag;
   b. Texas flag; or
   c. An official or replica flag of a branch of the US armed forces

3. The U.S. flag must be displayed in accordance with federal law, and the Texas flag must be displayed in accordance with Texas state law;

4. Flagpoles may be either freestanding or mounted to the dwelling, under the following parameters:

   a. Freestanding flagpoles must be located in the backyard and may not be taller than twenty feet (20') when measured from the ground level (including the pole ornamentation).

   b. Flagpoles no greater than five feet (5') in length may be attached to the front or back of a dwelling.

5. All flagpoles must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the dwelling;

6. No flagpole can be placed within an easement on the owner's lot, or in a location that encroaches on a setback on the owner's lot;

7. All flags and flagpoles must be properly maintained at all times, including, but not limited to, immediate replacement of faded, frayed or torn flags and replacement of poles that are scratched, bent, rusted, faded, leaning or damaged in any way;

8. If evening display of the flag is desired, the flag may be lit from the base of the flagpole (maximum of two bulbs) with a total of no more than 150 watts. The light must shine directly up at the flag, and cannot cause any type of light spillover onto adjoining properties. All exterior lighting must be submitted to the ACC for prior approval;

9. Flagpoles mounted to a dwelling or garage must be removed from view when no flag is displayed;

10. The size of the flag must be appropriate for the length of the flagpole;

11. Flagpole halyards must not make noise under any conditions. Halyards must be securely fastened at all times;

12. Freestanding flagpoles must be mounted on an appropriate footing;

13. All flagpoles must be installed per the manufacturer's guidelines;

14. Owners are prohibited from locating a flag or flagpole on property owned or maintained by the Association; and

15. Owners are prohibited from locating a flag or flagpole on property owned in common by the members of the Association.

II. ACC APPROVAL

Flagpoles mounted to a dwelling do not require approval from the ACC, provided the terms of this Policy are complied with. Any installation of a flagpole to a dwelling not in compliance with this Flag Display Policy will be considered a deed restriction violation.

Freestanding flagpoles require submission of a completed application to the ACC with a site plan showing the proposed location of the improvement, along with pictures showing the location of the modification and the manufacturer's brochures or sample of material, if applicable. The color of the materials being used in relation to house color, the visibility from public streets and neighboring properties/common areas and any noise created are of specific

concern. Any installation not in compliance with this Policy will be considered a deed restriction violation.

This Flag Display Policy does not apply to property that is owned or maintained by the Association.

CERTIFICATE OF SECRETARY

I hereby certify that, as Secretary of the Canyon Creek Owners Association, Inc., the foregoing Flag Display Policy was approved on the 23RD day of JUNE, 2012, at a meeting of the Board of Directors at which a quorum was present.

DATED, this the 5TH day of JULY, 2012.

William C. Records

Print Name: WILLIAM C. RECORDS
Title: Secretary

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

BEFORE ME, on this day personally appeared William C. Records, the Secretary of the Canyon Creek Owners Association, Inc., known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal this the 5th day of July, 2012.

Brenda S Bierman

Notary Public – State of Texas

BRENDA S. BIERMAN
MY COMMISSION EXPIRES
June 26, 2015

After Recording, Return To:
Stephanie Quade
Roberts Markel Weinberg P.C.
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056

CANYON CREEK OWNERS ASSOCIATION, INC.
ACCESS, PRODUCTION AND COPYING POLICY

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

WHEREAS, the property encumbered by this Access, Production and Copying Policy ("Policy") is that property restricted by the Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek, recorded under Brazos County Clerk's File No. 00774889, as same has been or may be amended from time to time ("Declaration"), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Canyon Creek Owners Association, Inc. (the "Association"); and

WHEREAS, pursuant to Chapter 209 of the Texas Property Code, the Board of Directors (the "Board") of the Association hereby adopts this Policy for the purposes of prescribing accessibility to Association books and records, the costs the Association will charge for the compilation, production and reproduction of information requested under Section 209.005 of the Texas Property Code; and

WHEREAS, the Board has determined that it is in the best interest of the Association to establish this Policy concerning the production and copying of information, books, and records of the Association.

NOW, THEREFORE, BE IT RESOLVED THAT the Association does hereby adopt this Access, Production and Copying Policy, which shall run with the land and be binding on all owners and lots within the subdivision. This Policy shall become effective upon recording of same. After the effective date, this Policy shall replace any previously recorded or implemented policy that addresses the subjects contained herein.

1. ACCESS

The books and records of the Association, including financial records, shall be open to and reasonably available for examination by an owner, or a person designated in writing signed by the owner as the owner's agent, attorney, or certified public accountant. An owner is entitled to obtain from the Association copies of information contained in the books and records. An owner, or the owner's authorized representative, must submit a written request for access or information by certified mail, with sufficient detail describing the books and records requested, to the mailing address of the Association as reflected on the most current management certificate. The request must contain an election either to inspect the books and records before obtaining copies, or to have the Association forward copies of the requested books and records.

An attorney's files and records relating to the Association, excluding invoices requested by an owner under Section 209.008(d) of the Texas Property Code are not records of the Association and are not subject to inspection by the owner, or production in a legal proceeding.

If a document in an attorney's files and records relating to the Association would be responsive to a legally authorized request to inspect or copy Association documents, the document shall be produced by using the copy from the attorney's files and records if the Association has not maintained a separate copy of the document. Any document that constitutes attorney work product or that is privileged as an attorney-client privileged communication is not required to be produced.

The Association is not required to release or allow inspection of any books or records that identify the dedicatory instrument violation history of an owner, an owner's personal financial information, including records of payment/nonpayment of amounts due the Association, an owner's contact information other than the owner's address, or information related to an employee of the Association, including personnel files. Information may be released in an aggregate or summary manner that would not identify an individual owner. These records may be made available only with (i) the express written approval of the owner whose records are the subject of the request, or (ii) if a court of competent jurisdiction orders the release of the records.

If inspection is requested, the Association, on or before the tenth (10^{th}) business day shall send written notice of dates during normal business hours that the owner may inspect the requested records to the extent the records are in the possession or control of the Association. The inspection shall take place at a mutually agreed upon time during normal business hours.

If copies are requested, the Association shall produce the requested records for the owner on or before the tenth (10th) business day after the date the Association receives the request except as otherwise provided herein. The Association may produce the requested records in hard copy, electronic, or other format reasonably available to the Association.

If the Association is unable to produce the records on or before the tenth (10th) business day, the Association shall give the owner notice that it is unable to produce the records within ten (10) business days, and state a date by which the information will be sent or made available for inspection, on a date not more than fifteen (15) business days after the date the notice is given.

Notwithstanding anything contained herein to the contrary, all records shall be produced subject to the terms of this Policy as set out below. The Association may require advance payment of estimated costs per its adopted policy.

2. CUSTODIAN OF RECORDS

The Secretary of the Board or other person designated by the Board, is the designated Custodian of the Records of Association. As such, the Secretary of the Board is responsible for overseeing compliance with this Policy. Any questions regarding this Policy shall be directed to the Custodian of the Records of the Association.

3. PROCEDURES FOR RESPONDING TO REQUEST FOR INFORMATION

All requests for information must comply with the requirements set forth hereinabove. The dated and signed, written request must state the specific information being requested.

Requests for information will **NOT** be approved when the information regards pending legal issues, unless specifically required by law; information of personnel matters such as individual salaries; information about other members; information that is privileged or confidential.

4. COST OF COMPILING INFORMATION AND MAKING COPIES OF RECORDS

The costs of compiling information and making copies shall not exceed those set forth in 1 TAC §70.3. The following fee schedules and explanations comply with this code section.

The following are the costs of materials, labor, and overhead which shall be charged to the owner requesting. The Association may require advance payment of the estimated costs of compilation, production, and reproduction of the requested information. If the estimated costs are lesser or greater than the actual costs, the Association shall submit a final invoice to the owner on or before the 30th business day after the date the information is delivered. If the final invoice includes additional amounts due from the owner, the additional amounts, if not reimbursed to the Association before the 30th business day after the date the invoice is sent to the owner, may be added to the owner's account as an assessment. If the estimated costs exceeded the final invoice amount, the owner is entitled to a refund, and the refund shall be issued to the owner not later than the 30th business day after the date the invoice is sent to the owner.

4.1 Copy Charge:

(1) Standard paper copy. The charge for paper copies reproduced by means of an office machine copier or a computer printer is $.10 per page or part of a page. Each side that has recorded information is considered a page.

(2) Nonstandard copy: covers materials onto which information is copied and does not reflect any additional charges, including labor that may be associated with a particular request. Charges for nonstandard copies are:
   (A) Diskette - $1.00
   (B) Magnetic tape – actual cost
   (C) Data cartridge – actual cost
   (D) Tape cartridge – actual cost
   (E) Rewritable & non-rewritable CD - $1.00
   (F) Digital video disc - $3.00
   (G) JAZ drive – actual cost
   (H) Other electronic media – actual cost
   (I) VHS video cassette - $2.50
   (J) Audio cassette - $1.00

(3) Oversize paper copy (e.g. 11 x 17, green bar, blue bar, not including maps and photographs using specialty paper - $.50

(4) Specialty paper (e.g. Mylar, blueprint, blueline, map, photographic) – actual cost

4.2 Labor Charge:

For locating, compiling, manipulating data, and reproducing public information, the following charges shall apply:

(1) Labor charge - $15.00/hour. This charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information;
(2) No labor charge to be billed for requests that are 50 or fewer pages of paper records, unless the documents to be copied are located in:
   (A) Two or more separate buildings that are not physically connected with each other; or
   (B) A remote storage facility;
(3) Labor charge may be charged when confidential information is mixed with public information in the same page, an attorney, legal assistant, or any other person who reviews the requested information, for time spent to redact, blackout, or otherwise obscure confidential information for requests of 50 or fewer pages.

4.3 Overhead Charge:

Whenever a labor charge is applicable to a request, the Association may include in the charges direct and indirect charges, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. If the Association chooses to recover such costs, the charge shall be made in accordance with the methodology described hereafter:

(1) The overhead charge shall not be made for requests for copies of 50 or fewer pages of standard paper records unless the request also qualifies for a labor charge;
(2) The overhead charge shall be computed at 20% of the charge made to cover any labor costs associated with a particular request.

4.4 Miscellaneous Supplies:

The actual cost of miscellaneous supplies, such as labels, boxes, and other supplies used to produce the requested information, may be added to the total charge. Related postal or shipping expenses which are necessary to transmit the reproduced information may be added to the total charge. If payment by credit card is accepted, if a transaction fee is charged by the credit card company, that fee may be added to the total charge.

5. DENIAL OF REQUESTED INFORMATION

If it is decided that a request for information is inappropriate or unapproved, the Board, or its designee, will notify the requesting member of that decision and the reason for it in a timely manner. The Board, or its designee, will inform the member, in writing of their right to appeal to the Board.

CERTIFICATE OF SECRETARY

I hereby certify that, as Secretary of the Canyon Creek Owners Association, Inc., the foregoing Access, Production and Copying Policy was approved on the 23RD day of JUNE, 2012, at a meeting of the Board of Directors at which a quorum was present.

DATED this the 5TH day of JULY, 2012.

William C. Records

Print Name: WILLIAM C. RECORDS
Title: Secretary

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

BEFORE ME, on this day personally appeared William C. Records, the Secretary of the Canyon Creek Owners Association, Inc., known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 5th day of July, 2012.

Brenda S Bierman

Notary Public – State of Texas

BRENDA S. BIERMAN
MY COMMISSION EXPIRES
June 26, 2015

After Recording Return To:
Stephanie Quade
Roberts Markel Weinberg P.C.
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056

CANYON CREEK OWNERS ASSOCIATION, INC.
SOLAR ENERGY DEVICES AND ROOFING MATERIALS POLICY

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

WHEREAS, the property encumbered by this Solar Energy Devices and Roofing Materials Policy is that property restricted by the Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek, recorded under Brazos County Clerk's File No. 00774889, as same has been or may be amended from time to time ("Declaration"), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Canyon Creek Owners Association, Inc. (the "Association"); and

WHEREAS, any reference made herein to approval by the Architectural Control Committee ("ACC"), means prior written approval by the ACC.

NOW THEREFORE, pursuant to the authority granted in Section 202.010 and 202.011 of the Texas Property Code, the Board of Directors (the "Board"), hereby adopts this Solar Energy Devices and Roofing Materials Policy ("Policy"), which shall run with the land and be binding on all owners and lots within the subdivision. This Policy replaces any previously recorded or implemented policy that addresses the subjects contained herein.

An application must be submitted for review by the ACC, and formal written approval from the ACC shall be required before installation may begin.

I. SOLAR ENERGY DEVICES AND ROOFING MATERIALS

A. Prohibited Solar Energy Devices

Solar energy devices, as referred to herein, shall be defined as set forth in the Texas Tax Code, §171.107. Solar energy devices are prohibited in the following circumstances:

1. It has been adjudicated by a court that the solar energy devices are a threat to public health or safety, or violate a law;

2. Solar energy devices that are located on property owned or maintained by the Association;

3. Solar energy devices that are located on property that is owned in common by the members;

4. Solar energy devices that are located on the owner's property, other than:

   a. On the roof of the dwelling or another permitted structure;

b. In a fenced yard or patio owned & maintained by the owner;

5. Roof-mounted solar energy devices that extend higher than or beyond the roofline;

6. Subject to Item 7 below, if roof mounted, is mounted in an area other than the back of the home;

7. Roof-mounted solar energy devices that are located in an area *other* than an area designated by the Association, unless the alternate location increases the estimated annual energy production by more than 10% above the area designated by the Association (as determined by a publicly available modeling tool provided by the National Renewable Energy Laboratory);

8. Roof-mounted solar energy devices that do not conform to the slope of the roof and have a top edge that is not parallel to the roofline;

9. Roof-mounted solar energy devices having frames, support brackets, or visible piping or wiring containing colors other than silver, bronze, or black tones;

10. Solar energy devices located in a fenced yard or patio that are taller than the fence;

11. Solar energy devices that, as installed, void material warranties; and

12. Solar energy devices that were installed without prior approval by the Association or ACC.

If the proposed solar energy devices do not fall within one of the above-prohibited categories, the Association or ACC may not withhold approval of the installation of solar energy devices unless the Association or ACC determines in writing that placement of the solar energy devices, as proposed by the owner, constitutes a condition that substantially interferes with the use and enjoyment of land by causing unreasonable discomfort or annoyance to a person of ordinary sensibilities. The written approval of the owner's proposed location by all owners of adjoining property constitutes prima facie evidence that such a condition does not exist.

B. Permitted Roofing Materials

Pursuant to Texas Property Code §202.011, the installation of the following roofing materials is permitted:

1. Wind or hail resistant roofing materials;
2. Materials that provide heating and cooling efficiencies greater than those provided by customary composite shingles; or
3. Materials that provide solar generation capabilities.

The above-enumerated acceptable materials, when installed, must:

1. Resemble the shingles used or otherwise are authorized for use within the subdivision;
2. Be more durable than, and are of equal or superior quality to, the shingles authorized for use within the subdivision; and
3. Match the aesthetics of the property surrounding the owner's property.

II. ACC APPROVAL

Applicant's submission of plans must include a completed application for ACC review, a site plan and/or roof plan showing the proposed location of the improvement, along with pictures showing the location of the modification and the manufacturer's brochures or sample of material, if applicable. The color of the materials being used in relation to the roof or house color, the visibility from public streets and neighboring properties/common areas and any noise created and/or light reflected are of specific concern to the Association and the ACC.

Any installation not in compliance with this Policy will be considered a deed restriction violation.

This Solar Energy Devices and Roofing Materials Policy does not apply to property that is owned or maintained by the Association.

CERTIFICATION

I hereby certify that, as Secretary of the Canyon Creek Owners Association, Inc., the foregoing Solar Energy Devices and Roofing Materials Policy was approved on the 23rd day of JUNE, 2012, at a meeting of the Board of Directors at which a quorum was present.

DATED, this the 5TH day of JULY, 2012.

William C. Records

Print Name: WILLIAM C. RECORDS
Title: Secretary

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

BEFORE ME, on this day personally appeared William C. Records, the Secretary of the Canyon Creek Owners Association, Inc., known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal this the 5th day of July, 2012.

Brenda S Bierman

Notary Public – State of Texas

BRENDA S. BIERMAN
MY COMMISSION EXPIRES
June 26, 2015

After Recording Please Return To:
Stephanie L. Quade
Roberts Markel Weinberg P.C.
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056

CANYON CREEK OWNERS ASSOCIATION, INC.
DOCUMENT RETENTION POLICY

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

WHEREAS, the property encumbered by this Document Retention Policy ("Policy") is that property restricted by the Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek, recorded under Brazos County Clerk's File No. 00774889, as same has been or may be amended from time to time ("Declaration"), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Canyon Creek Owners Association, Inc. (the "Association"); and

WHEREAS, pursuant to Chapter 209 of the Texas Property Code, the Board of Directors (the "Board") of the Association hereby adopts this Policy for the purposes of prescribing the document retention policy pursuant to Section 209.005 of the Texas Property Code; and

WHEREAS, the Board has determined that it is in the best interest of the Association to establish this Policy concerning the retention of records of the Association.

NOW, THEREFORE, BE IT RESOLVED THAT the Association does hereby adopt this Document Retention Policy, which shall run with the land and be binding on all owners and lots within the subdivision. This Policy shall become effective upon recording of same. After the effective date, this Policy shall replace any previously recorded or implemented policy that addresses the subjects contained herein.

This Policy provides for the future systematic review, retention, and destruction of documents received or created by the Association in connection with the transaction of the Association's business. This Policy covers all records and documents, regardless of physical form, and contains guidelines for how long certain documents should be kept and how records should be destroyed. This Policy shall be effective upon recording, and shall apply to records generated on or after January 1, 2012.

The Association retains specific documents for the time periods outlined in the attached Exhibit "A." Documents that may not be specifically listed will be retained for the time period of the documents most closely related to those listed in the schedule. Electronic documents will be retained as if they were paper documents. Therefore, any electronic files that fall into one of the document types on the attached Exhibit "A" will be maintained for the identified time period.

The Custodian of Records of the Association is responsible for the ongoing process of identifying the Association's records which have met the required retention period and overseeing their destruction. Destruction of any physical documents will be accomplished by shredding. Destruction of any electronic records of the Association shall be made via a

reasonable attempt to remove the electronic records from all known electronic locations and/or repositories.

CERTIFICATE OF SECRETARY

I hereby certify that, as Secretary of the Canyon Creek Owners Association, Inc., the foregoing Document Retention Policy was approved on the 23RD day of JUNE, 2012, at a meeting of the Board of Directors at which a quorum was present.

DATED this the 5TH day of JULY, 2012.

William C. Records

Print Name: WILLIAM C. RECORDS
Title: Secretary

STATE OF TEXAS §
§
COUNTY OF BRAZOS §

BEFORE ME, on this day personally appeared William C. Records, the Secretary of the Canyon Creek Owners Association, Inc., known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 5th day of July, 2012.

Brenda S Bierman

Notary Public – State of Texas

After Recording Return To:
Stephanie Quade
Roberts Markel Weinberg P.C.
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056

BRENDA S. BIERMAN
MY COMMISSION EXPIRES
June 26, 2016

EXHIBIT "A" DOCUMENT RETENTION POLICY			
DOCUMENT TYPE	**DEFINED**	**TIME PERIOD**	**EXCEPTION**
Account Records of Current Owners	Member assessment records	Five (5) years	Unless period of ownership exceeds five (5) years, then retain last five (5) years.
Audit Records	Independent Audit Records	Seven (7) years	
Bylaws	And all amendments	Permanently	
Certificate of Formation	And all amendments	Permanently	
Contracts	Final contracts between the Association and another entity.	Later of completion of performance or expiration of the contract term plus four (4) years	
Financial Books & Records	Year End Financial Records and supporting documents	Seven (7) years	
Minutes of Board & Owners Meetings	Board minutes and written consents in lieu of a meeting; Annual member meetings	Seven (7) years	
Restrictive Covenants	And all amendments	Permanently	
Tax Returns	Federal and State Income, Franchise Tax Returns and supporting documentation	Seven (7) years	

Bill & Return to:
University Title Company
P.O. Drawer DT
College Station, Texas 77841

Doc 00784724 Bk OR Vol 4769 Pg 229

GF# 21652 LM

SUPPLEMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE TOWNHOMES AT CANYON CREEK

This Supplement to Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek is executed by Canyon Creek Partners, Ltd., a Texas limited partnership ("Declarant") effective as of August 1, 2002.

Declarant executed that certain Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek dated 15 FEBRUARY, 2002 and filed for record in the office of the County Clerk of Brazos County, Texas under Clerk's File No. 00774889 (the "Declaration"). Section 3.18 of the Declaration permits Declarant to prepare, execute and record a supplement to the Declaration to correct or clarify language in the Declaration which is susceptible of conflicting interpretations, and Declarant believes that certain provisions of Article IX of the Declaration are subject to conflicting interpretations.

Therefore, in accordance with the provisions of Section 3.18 of the Declaration, Article IX of the Declaration is hereby clarified, corrected and restated in its entirety to read as follows:

"ARTICLE IX
INSURANCE AND CASUALTY

9.1 Insurance-General.

(a) By acceptance of a deed to a Townhome Lot, each Owner shall be deemed to have irrevocably appointed the Association (which appointment shall be deemed a power coupled with an interest), together with any insurance trustee, successor trustee or authorized representative designated by the Association, as such Owner's attorney-in-fact for the purpose of purchasing and maintaining the insurance required hereunder as well as for submission of and adjustment of any claim for loss, the collection and appropriate disposition of the proceeds thereof, the negotiation of losses and execution of releases of liability, the execution of all documents, and the performance of all other acts necessary to accomplish such purpose. The Association or such trustee, successor trustee or authorized representative must receive, hold or otherwise properly dispose of any proceeds of insurance in trust for the Owners, and their mortgagees as their interests may appear based on the fair market value of the interests damaged or destroyed. Any proceeds paid under any such policy shall be disbursed first for the repair or restoration of any damaged Common Facilities and Townhomes, and no Owner or lienholder shall receive payment of any portion of such proceeds unless a surplus remains after the Townhome has been completely restored.

(b) Each policy of insurance maintained by the Association shall provide that:

(i) The Association shall be named as the insured;

(ii) Each Owner is an insured person under such policies with respect to liability arising out of the Owner's ownership of any undivided interest in the Common Area or membership in the Association;

(iii) Insurance trust agreements will be recognized;

(iv) Any right to claim (A) by way of subrogation against the Declarant, the Board, the Owners, and their respective agents and employees, and (B) invalidity arising from acts of the insured is waived;

(v) The coverage of the policy is not prejudiced by any act or omission of an Owner to the extent that such act or omission is not within the collective control of all Owners;

(vi) Such policy is primary insurance if at the time of a loss under the policy any Owner has other insurance covering the same property covered by the policy;

(vii) No act or omission by any Owner, unless validly exercised on behalf of the Association, will void the policy or be a condition to recovery under the policy; and

(viii) Such policy may not be cancelled, not renewed or substantially modified without prior written notice to the Association and, in the case of physical damage and fidelity insurance, to all Owners and to all mortgagees.

(c) The Declarant, so long as Declarant shall own any Townhome Lot shall be protected by all such policies as an Owner.

(d) The Board shall have the express authority, on behalf of the Association, to name as insured an authorized representative, including any trustee (or successor thereto) with whom the Association has entered into any insurance trust agreement, which authorized representative shall have exclusive authority to negotiate losses under any policy providing the property or liability insurance required to be provided herein.

(e) The cost of all insurance required to be carried hereunder by the Association shall be a common expense paid from the regular assessments.

9.2 Physical Damage Insurance.

(a) The Association shall obtain and maintain a policy of insurance (an "All Risk Policy") against fire and such other hazards within the meaning of "all risk" insuring the Improvements and naming the Association as insured as trustee for the use and benefit of all Owners and their mortgagees as their interests may appear subject, however, to loss payment and adjustment provisions in favor of the Board, in an amount equal to one hundred percent (100%) of the then current replacement cost of the Townhomes exclusive of land, excavations, foundations and other items usually excluded from such coverage, such amount to be re-determined periodically by the Board with the assistance of the insurance company affording such coverage. The portion of the Townhomes insured shall include, without limitation, all original improvements (and replacements thereof) to the exterior of the Townhomes and

replacements of the foregoing, but shall exclude additions or betterments to the Townhomes and to the interior of the Townhomes, cabinets and original appliances, water heaters, HVAC units, the paint, texture and/or wall coverings of interior walls. Any deductible shall not exceed 1% of the replacement cost. The insurance company's determination of the amount of coverage required shall be binding and conclusive on the Association and each Owner for purposes of the coverage required by this Section. A stipulated value or agreed amount endorsement deleting the co-insurance provision of the policy shall be provided with such insurance. If not otherwise included within the "All Risks" coverage specified above, then the Association shall carry or cause to be carried, by endorsement to such "All Risks" policy, coverage against damage due to water and sprinkler leakage, flood and collapse and shall be written with limits of coverage typically required with respect to facilities similar to the Townhomes.

(b) Notwithstanding Section 9.2(a): (i) during the course of alteration of any improvements to a Townhome, the party causing the alterations to be performed (or its contractor) shall carry replacement cost builder's risk insurance as to the alterations, naming (in addition to such party and its contractor) the Owner of the Townhome, and the Association (as loss payee) and any mortgagee(s) of the Owner as insureds, as their interests may appear.

(c) Each All Risk Policy shall also provide (unless otherwise provided):

(i) The following endorsements (or equivalent): "contingent liability from operation of building laws", "demolition cost", "increased cost of construction", "agreed amount" or its equivalent and "inflation guard," if available.

(ii) That any "other insurance" clause expressly excludes individual Owners' or lessees' policies from its operation so that the physical damage policy purchased by the Association shall be deemed primary coverage and any individual Owners' or lessees' policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Association hereunder provide for or be brought into contribution with insurance purchased by individual Owners or their mortgagees, unless otherwise required by law.

(iii) The right of subrogation against the Declarant and the Owners shall be waived.

(d) A duplicate original of the policy of physical damage insurance, all renewals thereof and any subpolicies or certificates and endorsements issued thereunder together with proof of payment of premium shall be delivered by the insurer to any mortgagee so requesting at least 10 days prior to expiration of the then current policy. All mortgagees shall be notified of any event giving rise to a claim under such policy in excess of $10,000 (in the case of damage to the Townhome covered by such mortgagee's lien).

(e) The Association shall not obtain any policy of insurance where (i) under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against the Owner or mortgagee or become a lien against the Townhome; or (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders or members; or (iii) the policy includes any limiting clauses (other than

insurance conditions) which could prevent the Association, Owners or mortgagees from collecting insurance proceeds.

9.3 Liability Insurance. The Association shall obtain and maintain commercial general public liability and property damage insurance in such limits as the Board may from time to time determine (but not less than one million dollars ($1,000,000) for bodily injury or property damage for any single occurrence), insuring the Association, each member of the Board, each Owner, and the Declarant, against any liability to the public arising out of, or incident to the ownership or use of the Common Areas and Joint Upkeep Areas. Such insurance shall be issued on a comprehensive liability basis and shall contain a cross-liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured. The Board shall review such limits periodically. "Umbrella" liability insurance in excess of the primary limits may also be obtained. The obtaining of liability insurance shall not constitute a waiver of sovereign immunity or any other defense by any person.

9.4 Separate Insurance. Each Owner shall have the right and responsibility, at his own expense, to obtain insurance for his personal property and for such other risks as he may desire (including an "All Risk Policy" against the contents of his Townhome, liability insurance, business interruption and workmen's compensation insurance); provided, however, that no Owner shall be entitled to exercise his right to acquire or maintain such insurance coverage so as to decrease the amount which the Association may realize under any insurance policy maintained by the Association or to cause any insurance coverage maintained by the Association to be brought into contribution with insurance coverage obtained by an Owner. Each Owner shall have the right and responsibility, at his own expense, to obtain such liability coverage as he shall deem prudent. All such policies shall contain waivers of subrogation as against other Owners, the Association, its Board, the Declarant, and their respective agents and employees.

9.5 When Repair and Reconstruction are Required. Each Owner and each mortgagee, in the event of damage to or destruction of all or any of the Improvements as a result of fire or other casualty agree that the Board shall arrange for and supervise the prompt repair and restoration of the Improvements. Notwithstanding the foregoing or anything herein to the contrary, except as otherwise agreed to in a document signed by the Association, the affected Owner and its mortgagee, the cost and other responsibility for repair and restoration of an alteration, which is to be covered by builder's risk insurance as set forth herein, shall be that of the Owner or its agent performing such construction or alteration, and the Association and all other insureds under such builder's risk policy shall release the proceeds of such insurance so as to permit such repair or restoration.

9.6 Procedure for Reconstruction and Repair.

(a) Subject to the last sentence of Section 9.5, promptly after a fire or other casualty causing damage to any portion of the Improvements, the Board shall obtain reliable and detailed estimates of the cost of repairing and restoring such Improvements to restore to a condition as good as that existing before such casualty. Such costs may also include professional and consulting fees and premium for such bonds as the Board determines to be necessary.

(b) Subject to the last sentence of Section 9.5, if the insurance proceeds are not sufficient to pay such estimated costs of reconstruction and repair, or if upon completion of reconstruction and repair the funds for the payment of the costs thereof (from all sources including the obligation of tenants to restore) are insufficient, then the amount necessary to complete such reconstruction and repair may be obtained from the appropriate reserve for replacement funds and/or shall be deemed common expenses and a special assessment therefor shall be levied against all Owners in accordance with their respective interests. Such special assessment shall be payable within thirty (30) days of the notice thereof being delivered by the Association to the Owners.

(c) Any such reconstruction or repair shall be substantially in accordance with the original construction of the Improvements.

(d) Any restoration and repair work undertaken by the Association shall be performed in a good and workmanlike manner with a view to restoring the Improvements to a condition similar to that existing prior to such damage or destruction. All such restoration and repair work, whether done by the Association or an Owner, shall be effected in a manner so as to observe all Townhome Lot boundaries existing prior to such damage or destruction.

9.7 Association as Attorney-in-Fact. Each Owner, by acceptance or possession of title to a Townhome Lot, hereby irrevocably makes, constitutes and appoints the Association, and each and every of its successors in interest hereunder, as Owner's true and lawful attorney-in-fact, for and in Owner's name, place and stead, upon the damage or destruction of the Property, or any part thereof, or upon any determination by the Owners made pursuant to this Article, to take any and all actions, and to execute and deliver any and all instruments, as the Board may, in its reasonable discretion, deem necessary or advisable to effect the intents and purposes of this Article IX, hereby giving and granting unto the Association full power and authority to do and perform each and every act whatsoever requisite or necessary to be done in and about the Property as fully, to all intents and purposes, as an Owner might or could do, hereby ratifying and confirming whatsoever the Association may do by virtue hereof. The Association is hereby authorized, in the name and on behalf of all the Owners, to do and perform all actions necessary or appropriate to effect the intent and purposes of this Article as aforesaid, including, without limitation, the power and authority to make and settle claims under any insurance policies maintained by the Association, contract for and with respect to restoration and repair work to the Improvements, and to execute and deliver all instruments necessary or incidental to any such actions. The Association shall have the right to change the foregoing coverages to reflect changes in policy forms and endorsements or if it would be commercially reasonable to obtain alternative insurance; however, in no event shall the Association ever not maintain liability insurance and property and casualty insurance."

Executed to be effective as of the date first set forth above.

Doc 00784724 Bk OR Vol 4769 Pg 234

CANYON CREEK PARTNERS, LTD,
a Texas limited partnership

By: American Collegiate Housing, Inc.,
a Texas corporation, its general partner

By: Todd P. Sullivan
Name: Todd P. Sullivan
Title: President

THE STATE OF TEXAS §
§
COUNTY OF BRAZOS §

BEFORE ME, the undersigned authority, on this day personally appeared Todd P. Sullivan, President of American Collegiate Housing, Inc., a Texas corporation, general partner of Canyon Creek Partner, Ltd., a Texas limited partnership, on behalf of said partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 6th day of August, 2002.

Leola Michelle Maxey
Notary Public in and for the State of Texas

LEOLA MICHELLE MAXEY
MY COMMISSION EXPIRES
July 3, 2004

After recording return to:

John G. Cannon
Winstead Sechrest & Minick P.C.
910 Travis, Suite 2400
Houston, Texas 77002

HOUSTON_1\588862\1
39080-1 08/02/2002

Filed for Record in:
BRAZOS COUNTY
On: Aug 05,2002 at 02:45P
As a
Recordings
Document Number: 00784724
Amount 16.00
Receipt Number - 280186
By,
Mary Garcia

STATE OF TEXAS COUNTY OF
I hereby certify that this instrument was
filed on the date and time stamped hereon by me
and was duly recorded in the volume and page
of the named records of:
BRAZOS COUNTY
as stamped hereon by me.

Aug 05, 2002

HONORABLE KAREN KEESEE, COUNTY CLERK
BRAZOS COUNTY

Doc 00784725 Bk OR Vol 4769 Pg 235

Bill & Return to:
University Title Company
P.O. Drawer DT
College Station, Texas 77841

GF# 21652 Lm

SUPPLEMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE TOWNHOMES AT CANYON CREEK

This Supplement to Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek is executed by Canyon Creek Partners, Ltd., a Texas limited partnership ("Declarant") effective as of August 1, 2002.

Declarant executed that certain Declaration of Covenants, Conditions and Restrictions of the Townhomes at Canyon Creek dated 15 FEBRUARY, 2002 and filed for record in the office of the County Clerk of Brazos County, Texas under Clerk's File No. 00774889 (the "Declaration"). Section 3.18 of the Declaration permits Declarant to prepare, execute and record a supplement to the Declaration to correct or clarify language in the Declaration which is susceptible of conflicting interpretations, and Declarant believes that certain provisions of Article III of the Declaration are subject to conflicting interpretations.

Therefore, in accordance with the provisions of Section 3.18 of the Declaration, Article III, Section 3.1 (b) of the Declaration is hereby clarified, corrected and restated in its entirety to read as follows:

"ARTICLE III
USE RESTRICTIONS

3.1 Land Use and Building Type

(b) Garages: No garage shall ever be changed, altered or otherwise converted for any purpose inconsistent with the housing of automobiles at all times. All Owners, their families, tenants and contract purchasers shall, to the greatest extent practicable, utilize such garages for the garaging of vehicles belonging to them. All garage doors must be closed when not in use (vehicles entering or exiting) and/or between the hours of 9:00 PM and 7:00 AM

Executed to be effective as of the date first set forth above.

CANYON CREEK PARTNERS, LTD,
a Texas limited partnership

By: American Collegiate Housing, Inc.,
a Texas corporation, its general partner

By: TODD P. SULLIVAN
Name: TODD P. SULLIVAN
Title: PRESIDENT

Doc Bk Vol Pg
00784725 OR 4769 236

THE STATE OF TEXAS §
§
COUNTY OF BRAZOS §

BEFORE ME, the undersigned authority, on this day personally appeared Todd P. Sullivan, President of American Collegiate Housing, Inc., a Texas corporation, general partner of Canyon Creek Partner, Ltd., a Texas limited partnership, on behalf of said partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 6th day of August, 2002.

Leola Michelle Maxey
Notary Public in and for the State of Texas

After recording return to:

John G. Cannon
Winstead Sechrest & Minick P.C.
910 Travis, Suite 2400
Houston, Texas 77002

LEOLA MICHELLE MAXEY
MY COMMISSION EXPIRES
July 3, 2004

HOUSTON_1\588862\1
39080-1 08/02/2002

Filed for Record in:
BRAZOS COUNTY
On: Aug 05,2002 at 02:45P
As a
Recordings
Document Number: 00784725
Amount 8.00
Receipt Number - 200105
By,
Mary Garcia

STATE OF TEXAS COUNTY OF
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of:
BRAZOS COUNTY
as stamped hereon by me.

Aug 05,2002

HONORABLE KAREN MCKEEN, COUNTY CLERK
BRAZOS COUNTY