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CONDOMINIUM DECLARATION
FOR

THE COVE AT WALDEN,
A CONDOMINIUM PROJECT

8331081

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, The Cove at Walden, Ltd., A Texas Limited Partnership, acting herein by and through The Cove at Walden, Inc., its General Partner, hereinafter called "Developer", is the sole owner in fee simple of that certain tract or parcel of land lying and being situated in Montgomery County, Texas, and described as:

TRACT 1:

Being 2.433 acres of land in the Thomas Corner Sur., A-10, Montgomery County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" Iron Rod for the southwest corner of the herein described tract, and being N. 78° 42' 42"W., 78.17 feet from a 1/2" Iron Rod at the northeast corner of Lot 46, Block 70, Walden on Lake Conroe, Section 17, map of which is recorded in Cab. C, Sheet 55, of the map records of Montgomery County;

THENCE N. 11° 17' 18"E., a distance of 120.00 feet to a 1/2" Iron Rod for the lower northwest corner of the herein described tract;

THENCE N. 56° 17' 18"E., a distance of 42.43 feet to a 1/2" Iron Rod for an inner corner of the herein described tract;

THENCE N. 11° 17' 18"E., a distance of 198.00 feet to a 1/2" Iron Rod for the upper northwest corner of the herein described tract;

THENCE N. 80° 13' 22"E., a distance of 100.22 feet to a 1/2" Iron Rod in the 201 foot Contour Line of Lake Conroe, for an Angle Point;

THENCE N. 27° 31' 00"E., with said Contour Line, a distance of 82.61 feet to an Angle Point;

THENCE N. 35° 34' 00"E., continuing with said Contour Line, a distance of 7.17 feet to a point in a Bulkhead, for an Angle Point;

THENCE S. 56° 00' 14"E., with said Bulkhead, a distance of 69.81 feet to an inner corner of the herein described tract;

THENCE N. 33° 32' 00"E., continuing with said Bulkhead, a distance of 54.75 feet to a point in the 201 foot Contour Line, for an Angle Point,

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THENCE S. 20° 55' 00"E., with said Contour Line, a distance of 53.39 feet to a 1/2" Iron Rod for an Angle Point;
THENCE S. 84° 35' 00"E., continuing with said Contour Line, a distance of 49.38 feet to a 1/2" Iron Rod in the west line of Block 70, Walden on Lake Conroe, Section 17, for the northeast corner of the herein described tract;

THENCE Southerly, with said west line, the following courses:

S.9°06'16"E., 64.16 feet to a 1/2" Iron Rod;
S.35°59'59"W., 78.56 feet to a 1/2" Iron Rod; and
S.23°42'08"W., 237.13 feet to a 1/2" Iron Rod for the southeast corner of the herein described tract;

THENCE Westerly, with a north line of said Block 70, the following courses:

S.59°13'51"W., 101.34 feet to a 1/2" Iron Rod;
S.88°16'46"W., 99.95 feet to a 1/2" Iron Rod; and
N.78°42'42"W., 78.17 feet to the place of BEGINNING, containing 2.433 acres (105,956 square feet) of land and being Phase I, The Cove at Walden, out of Reserve "B", Walden on Lake Conroe, Section 17.

TRACT 2:

Being 0.175 acre of land in the Thomas Corner Sur., A-10, Montgomery County, Texas, and being more particularly described as follows:

BEGINNING at a point for the southeast corner of the herein described easement, and being N.78°42'42"W., 78.17 feet and N.11°17'18"E., 26.00 feet from the northeast corner of Lot 46, Block 70, Walden on Lake Conroe, Section 17, map of which is recorded in Cab. C, Sheet 55, of the map records of Montgomery County;

THENCE N.78°42'42"W., a distance of 317.61 feet to a point in the east line of Aspen Drive, 60 feet in width, for the southwest corner of the herein described easement;

THENCE Northerly, with said east line having a curve to the right with a Radius of 220.00 feet through a Central Angle of 6°15'35", a distance of 24.04 feet to a point for the northwest corner of the herein described easement;

THENCE S.78°42'42"E., a distance of 316.48 feet to a point in the west line of Phase I, The Cover at Walden, for the northeast corner of the herein described easement;

THENCE S.11°17'18"W., with said west line, a distance of 24.00 feet to the place of BEGINNING, containing 0.175 acre (7,615) square feet) of land and being a 24 foot Road Easement.

hereinafter referred to as the "project tract of land", and, which property is described on the attached map or plat thereof marked Exhibit "A" which by this reference is made a part hereof; and,

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WHEREAS, Developer is developing and improving said project tract of land by erecting and constructing a condominium apartment project thereon consisting of three (3) multi-story buildings containing a total of fifty-two (52) individual apartments, which are described on Exhibit "A" attached hereto and made a part hereof as if set out in full, together with certain improvements, structures and facilities as a part thereof and appurtenances thereto, which condominium apartment project is designated and shall be known as "The Cove at Walden", A Condominium Project. The Developer has the option to expand the condominium apartment project from time to time in accordance with the terms and conditions set out in Paragraph 10 hereinbelow; and,

WHEREAS, the Developer intends by this Declaration to submit said project tract of land and all of said apartment buildings, and other improvements, structures and facilities thereon, hereinafter collectively referred to as the "project property", to the provisions of and the condominium regime established by the Condominium Act of the State of Texas (hereinafter referred to as the "Act") so as to thereby establish a condominium regime under said Act and in respect to the project property:

NOW THEREFORE, in furtherance of said plan of condominium ownership and the purposes and intents thereof, said Developer, the sole owner in fee simple of said property and improvements, hereby makes the following declarations as to the divisions, descriptions, definitions, restrictions, covenants, limitations, conditions, rights, privileges, obligations and liabilities which shall apply to, govern, control and regulate the sale, resale or other disposition, acquisition, ownership or use and enjoyment of said property and improvements in the real estate freehold estate, hereby specifying and agreeing that said declarations and the provisions shall be and constitute covenants

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to run with the land and shall be binding on Developer, its successors and assigns, and all subsequent owners of said real property and improvements together with their Grantees, successors, heirs, executors, administrators, devisees or assigns, to-wit:

(1) Said Developer, in order to establish said plan of condominium ownership for the hereinbefore described property and improvements, hereby expressly submits said property and improvements to the condominium regime established by the Texas Condominium Act as now existing, or hereafter amended, and does hereby covenant and agree that it hereby divides said property into the following separate freehold estates, to-wit:

(a) Each of the fifty-two (52) individual apartment spaces in said multiple-unit apartment buildings hereinafter described shall constitute a separate freehold estate. The boundaries of each such apartment space shall be, and are, the interior surfaces of the perimeter walls, floor, ceilings, and the exterior surfaces of balconies or patios, if any, and the unit includes both the portions of the building so described and the air space so encompassed, excepting the common elements. The individual ownership of each apartment space herein defined shall further include the interior construction, interior dividing walls, partitions, appliances, fixtures and improvements which are intended to exclusively serve such apartment space, such as interior room walls, floors or ceiling covering or finish, closets, cabinets, shelving, individual bathroom, kitchen fixtures, plumbing and appliances, individual air conditioning units, individual lighting and electrical fixtures and other separate items or chattels belonging exclusively to such apartment which may be removed, replaced, disposed of or otherwise treated without affecting any apartment space or the ownership, use or enjoyment thereof. None of the land in this project on which any apartment is located shall be separately

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owned as all land in this project shall constitute part of the property (general common elements) as hereinafter defined and shall be owned in common by the owners of the apartment units in this condominium project.

(b) The general common elements of the property as described and defined in Paragraph 8 below and the respective undivided interest therein of each owner of an undivided apartment space shall constitute a freehold estate, and it is hereby covenanted and stipulated that each such undivided interest in the general common elements shall be held and owned, together with and may not be sold, conveyed or otherwise disposed of or encumbered separate from the individual apartment to which it is allocated.

(2) For the purposes of this Declaration, the ownership of each apartment space shall include the apartment space itself and the respective undivided interest in the general common elements allocated to the apartment space, and such apartment space and undivided interest in the general common elements shall together constitute an apartment unit.

(3) The land heretofore described, known as the project tract of land, together with all improvements thereon, is hereby submitted to the said condominium regime.

(4) Exhibits "A" is survey plat which depict said land as above described and the location of the multi-story multiple-unit apartment buildings located thereon, denoted as Buildings A, B, and C.

(5) Each of the multiple-unit apartment buildings shown and denoted on the above mentioned plat is generally described as follows:

----- Building A--containing twenty-four (24) apartments numbered A101, A102, A103, A104, A105, A106, A107, A108, A201, A202, A203, A204, A205, A206, A207, A208, A301, A302, A303, A304, A305, A306, A307 and A308, the size, dimensions, location and

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boundaries of each being detailed on the survey plat of Building A, hereto attached marked Exhibits "B" "C", and "H".

Building B--containing twelve (12) apartments numbered B101, B102, B103, B104, B105, B106, B201, B202, B203, B204, B205 and B206, the size, dimensions, location and boundaries of each being detailed on the survey plat of building B, hereto attached marked Exhibits "D" "E", and "H".

Building C--containing sixteen (16) apartments numbered C101, C102, C103, C104, C105, C106, C107, C108, C201, C202, C203, C204, C205, C206, C207, and C208, the size, dimensions, location and boundaries of each being detailed on the survey plat of Building C, hereto attached and marked Exhibits "F" "G" and "H".

(6) The fifty-two (52) apartment spaces above described and which shall be individually conveyed and owned, each have a direct exit to a thoroughfare or a given common space leading to a thoroughfare, are of the four (4) following types:

Type A,	(1 Br., 1 bath-flat)	Approximately 730 square feet.
Type B	(2 Br., 2 bath-loft)	Approximately 980 square feet.
Type C	(2 Br., 2 bath-flat)	Approximately 885 square feet.
Type D	(3 Br., 3 bath-loft)	Approximately 1,175 square feet.

(7) The undivided title and interest of each owner of an apartment space in the general common elements of the property defined in Paragraph 8, below, and their proportionate share in the common expenses of said general common elements, as well as the proportionate representation for voting purposes in the meeting of the Council of Co-Owners of this condominium project, is as follows, to-wit:

Type A	-- 1.52	Type C	-- 1.84
Type B	-- 2.04	Type D	-- 2.48

The above percentages fixing the undivided interest of each apartment owner in the general common elements and his share of the common expenses and voting representation, except as provided in Paragraph 10 below, cannot be changed except by the written consent of each and every owner and mortgagee of an apartment unit in this condominium project, duly executed, acknowledged and

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filed for record as a partial amendment to this Declaration and Developer, its successors, assigns and grantees and their successors, heirs, executors, administrators, devisees and grantees hereby covenant and agree that the elements constituting an apartment unit, that is the individual apartment and the undivided interest in the general common elements allocated to it, shall be held and owned together and such elements shall not be separated or separately sold, conveyed or otherwise disposed of or encumbered.

(8) The "general common elements" of the property and of this project include and are defined as all of the project tract of land above described and the buildings, structures and improvements thereon, save and except the fifty-two (52) individual apartment spaces contained in said multiple-unit apartment buildings which are to be individually and separately owned, and specifically includes, but is not limited to, all land, building foundations, bearing walls and columns, roofs, common hallways, lobbies, stairways, entrances, exits, or communication ways, yards, gardens, ponds, swimming pools, boat slips, if any, and club house, the size, dimensions and location of which is detailed on Exhibits A and I, attached hereto, pavement, pipes, wires, conduits, and other facilities serving the project, and the other elements or items herein or in said Act defined as common elements of the property, and in general, such common elements shall consist of all the land and improvements and appurtenances of every type thereon, excepting said apartment spaces which are to be individually and separately conveyed and owned.

(9) The following portion of the general common elements are hereby set aside and allocated for the restricted use of the respective apartment spaces as is below designated, and said elements shall be known, only so far as the use thereof is concerned, as "limited common elements" but such restriction as

to use shall not affect the ownership of same, and the same shall be owned as part of the general common elements, to-wit: (a) Balconies for apartments A101, A102, A103, A104, A105, A106, A107, A108, A201, A203, A204, A205, A206, A207, A208, A301, A302, A303, A304, A305, A306, A307, and A308, Building A; B101, B102, B103, B104, B105, B106, B201, B202, B203, B204, B205, and B206, Building B; and C101, C102, C103, C104, C105, C106, C107, C108, C201, C202, C203, C204, C205, C206, C207 and C208, Building C; as more fully described in Exhibits "B" through "G", attached hereto and made a part hereof, to which reference is hereby made for all purposes; and (b) Patios for apartments A101, A102, A103, A104, A105, A106, A107 and A108, Building A; B101, B102, B103, B104, B105 and B106, Building B; and C101, C102, C103, C104, C105, C106, C107 and C108 Building C; as more fully described in Exhibits "B" through "G", attached hereto and made a part hereof, to which reference is hereby made for all purposes; and the use of said areas is hereby restricted to the owners of said apartments.

(10) For a period of seven (7) years from the date of the filing of this Declaration, Developer hereby explicitly reserves the right to expand the condominium apartment project from time to time until three (3) phases have been constructed containing no more than one hundred sixty-four (164) individual apartment units without the consent of any apartment unit owner or mortgagee. Each apartment unit shall be consistent with initial improvements in terms of quality of construction. The additional phases will be constructed, as shown by map or plat recorded in the Map Records, land out of the Thomas Corner Sur., A-10, Montgomery County, Texas, save and except that portion of said lot which is described on Exhibit "A" attached hereto. Each purchaser, owner or mortgagee of an individual apartment unit does hereby irrevocably constitute and appoint Developer as their true and lawful attorney and agent with full power and authority

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in their name, place and stead to prepare, execute, swear to, acknowledge, deliver, file and record in the Condominium Records of Montgomery County, Texas, Amendments to this Declaration reflecting the expansion of the condominium apartment project in two (2) or more phases to a total of no more than one hundred sixty-four (164) individual apartment units. In the event Developer constructs only the initial phase of The Cove at Walden, A Condominium Project, containing the fifty-two (52) individual apartments in Buildings A, B and C, then the land encompassing the Condominium will be such land as is delineated on the plat marked Exhibit "A" and designated Phase I, which Exhibits are incorporated herein as if set out in full. As additional phases are constructed and completed, Developer will file a plat as an additional Exhibit to this Declaration, delineating the land encompassing the Condominium and a metes and bounds description of said land as an additional Exhibit to this Declaration. In the event Developer decides to construct less than three (3) phases in the condominium, it will serve notice to all purchasers of units then existing within thirty (30) days after the recording of this Declaration or any amendments thereto. Developer hereby reserves unto itself, its successors and assigns an easement of ingress and egress on, over and across the driveways set forth on Exhibit "A", or any amendments thereto, for the purpose of constructing the individual apartment units in the additional phases of the condominium project.

(11) The undivided title and interest of each owner of an apartment space in the general common elements of the property described in Paragraph 8 above, and their proportionate share in the common expenses of said general common elements, as well as the proportionate representation for voting purposes in the meetings of the Council of Co-Owners of this condominium project if only Phase I is built, are as set out in Paragraph 7 hereinabove. In the event Developer expands the condominium

apartment project into additional phases, then the undivided title and interest of each owner of an apartment space in the general common elements of the property described in Paragraph 8 above, and their proportionate share in the common expenses of said general common elements, as well as the proportionate representation for voting purposes in the meetings of the Council of Co-Owners of this condominium project, will be as set out on an amendment of this Declaration filed in accordance with the terms and conditions set out in Paragraph 10 hereinbelow.

(12) Said Developer, its successors and assigns, by this Declaration, and all future owners, lessees, tenants or other occupants of the apartment units in this project, by their acceptance of their deeds, leases, rental agreements or possession of any such apartment unit, hereby covenant and agree as follows:

(a) That the common elements, both general and limited, shall remain undivided and shall not be the object of an action for partition or division of the co-ownership so long as suitable for a condominium regime.

(b) That the apartment units shall be occupied and used only for residential purposes, as a private dwelling or rental unit, and that no professional, business or commercial use shall be made of the same. This restriction is for the benefit of all apartment units in this condominium project and in addition to other rights or remedies, any violation or threatened violation hereof may be enjoined or prevented by suit for injunction at the instance of any owner or owners of other apartment units or the Board of Directors of this condominium regime. All leases on apartment units shall be in writing and shall provide that the Lessee therein uses the apartment unit subject to the provisions of the Condominium Declaration and By-Laws, and any amendments thereto.

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(c) The owners of the respective apartment spaces shall not be deemed to separately own the basic structural and supporting portions of the perimeter walls and/or bearing walls, floors and ceilings surrounding his respective apartment space, nor shall such owner be deemed to separately own pipes, wires, conduits or other public utility lines running through said respective apartment spaces which are utilized for or serve more than one apartment space, but the same shall be owned as tenants in common as part of the common elements of the property, however, each apartment owner shall have an easement in the interest of the other owners in and to the aforesaid elements and facilities as shall be necessary for the support, maintenance, use and enjoyment of his apartment; such owner, however, shall be deemed to separately own the walls and partitions which are contained within the perimeter walls of said owner's respective apartment space, and shall also be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floors and ceiling and the facilities, fixtures and equipment built or placed in said apartment space for the exclusive service and convenience of such apartment space.

(d) The owners of the respective apartment spaces agree that if any portion of the common elements encroaches upon the apartment space, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. In the event any portion of any multi-unit apartment building is partially or totally destroyed, and then rebuilt or reconstructed, the owners of apartment spaces agree that valid easements shall exist for any resulting encroachments.

(e) The owner of an apartment unit, upon acquisition of same, shall automatically become a member of the Council of Co-Owners of this condominium project, and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership shall automatically cease. The

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Council of Co-Owners shall elect from among its members a Board of Directors to consist of not less than three (3) members, who shall serve in such office without pay or compensation for such term as specified in the By-Laws of this condominium project or until their successors are duly elected in accordance with the provisions of such By-Laws. Such Board of Directors shall manage and govern the affairs of the Council of Co-Owners, and it shall have such powers, functions, authority, duties, obligations and responsibilities as shall be specified in said By-Laws and/or as may be delegated to it from time to time by the Council of Co-Owners, provided however, that the Developer shall manage and govern the affairs of the Council of Co-Owners, and it shall have such powers, functions, authority, duties, obligations, and responsibilities as shall be specified in said By-Laws and/or as may be delegated to it from time to time by the Council of Co-Owners until the earlier of 120 days after conveyance of seventy-five (75%) percent of the apartment units in the project or in the first phase of the project have been conveyed to apartment unit purchasers or the organizational meeting of the Council of Co-Owners is held. The organizational meeting of the Council of Co-Owners shall be held no later than the first (1st) day of June, 1985.

(f) The owners of apartment units agree that the government and administration of the condominium shall be in accordance with this Declaration and the By-Laws which are attached hereto as Exhibit "J" and made a part hereof, which By-Laws may be amended from time to time by the Council of Co-Owners in accordance with the provisions thereof, and any and all such amendments, duly certified to by the presiding officer of the Board of Directors or other person authorized to make such certifications of such By-Laws, shall be filed for record as a partial amendment to said Exhibit "J" attached hereto.

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(g) That each owner, tenant or occupant of any apartment unit shall comply with the provisions of the Declaration and the By-Laws, and the valid decisions and resolutions of the Council of Co-Owners, as lawfully amended from time to time, and failure to comply with any such provisions, decisions or resolutions shall be grounds for an action to recover sums due, for damages and/or for injunctive relief.

(h) This Declaration shall not be revoked or any of the provisions hereof amended unless all of the owners of the apartment spaces in this condominium project and all of the mortgagees or beneficiaries of mortgages or deeds of trust covering the apartment units unanimously agree to such revocation or amendment by duly recorded instruments.

(i) All owners of apartment units in this condominium project are bound and obligated to contribute monthly or as otherwise periodically assessed by the Council of Co-Owners, or by the Board of Directors when authorized to do so by the By-Laws of this project or by resolution of said Council of Co-Owners, their prorata share, in the percentages above fixed and set out for each apartment unit, of the expenses of administration, upkeep, maintenance and repair of the general common elements of this project, and in the proper care of the limited common elements, as any and all such common elements are described and defined in this Declaration, and of any other valid expense or charge assessed pursuant to authority given by said Act, or this Declaration or said By-Laws, each of which assessments shall become due and payable within ten (10) days from the date each such assessment is made unless otherwise specified in the By-Laws, and such assessments shall become liens against the respective apartment units for their prorata share thereof at the time such assessments become due and payable unless otherwise specified in said By-Laws. No owner shall be exempt from contributing toward such expenses, charges, costs or assessments

by waiver of the use or enjoyment of the common elements, either general or limited, or by abandonment of the apartment belonging to him. All assessments or charges of the Council of Co-Owners or the Board of Directors, when authorized to do so by the By-Laws of this project or by resolution of the Council of Co-Owners, shall include an adequate reserve fund for maintenance, repairs and replacement of those common elements that must be replaced on a periodic basis, which reserves shall be payable on a monthly basis.

(j) In the event any portion of the hereinbefore described property shall be taken in any condemnation proceedings, all owners of apartment units give and authorize the Board of Directors the power to represent the individual apartment unit owners and to receive for the individual apartment unit owners any and all awards as declared, negotiated, or agreed upon by said Board of Directors. In the event the Condominium project is subject to a condemnation proceeding, the Board of Directors shall give notice of said proceeding to all mortgagees, or beneficiaries of mortgages, or deeds of trust covering the individual apartment units.

(13) All liens for assessments made by the Council of Co-Owners, or by the Board of Directors when authorized to do so as aforesaid, shall be prior to other liens, except that such liens for said assessments shall be subordinate, secondary and inferior to (1) all liens for taxes or special assessments levied by the city, county and state governments or any political subdivision or special district thereof, and (2) liens securing amounts due or to become due under any mortgage, vendor's lien or deed of trust filed for record prior to the date payment of such assessment for common expenses become due. The lien of the Council of Co-Owners for assessments shall be freely assignable. Such lien for assessments herein provided may be foreclosed, without prejudice and subject to the aforesaid liens, by the

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holder thereof in the same manner as either a vendor's lien, or as is provided for foreclosure of a contractual deed of trust lien on real property under Vernon's Annotated Civil Statutes of Texas, Article 3810, or by judicial foreclosure. In the event of foreclosure under such Article 3810, the Council shall be entitled to designate a Trustee by instrument recorded in the Office of the County Clerk of Montgomery County, Texas, and upon such recording, such Trustee shall, at the request of the Council of Co-Owners, give notice of sale as required by such Article 3810 and sell such apartment, or interest therein, to the highest bidder for cash at the Courthouse door of Montgomery County, Texas, at public vendue and at the time as provided in said Statute, it being understood that the recitations contained in the Trustee's deed shall be conclusively presumed true and correct. In the event foreclosure proceedings are followed as stated hereinabove, reasonable attorney's fees shall be included as a part of the lien for assessments which is the basis of said foreclosure. No such foreclosure shall affect or impair any such prior liens. The Board of Directors or any authorized officer thereof, acting in behalf of the Council of Co-Owners of the apartment units in this project, shall have power to bid on the apartment unit foreclosed on at the foreclosure sale, and to acquire, hold, lease, mortgage and convey the same in behalf of such Co-Owners. The purchaser acquiring title to such apartment unit at such foreclosure sale, whoever he may be, and his successors and assigns, shall not be liable for the share of the unpaid common expenses or assessments by the Council of Co-Owners chargeable to such apartment unit which became due prior to acquisition of such title at such foreclosure sale, but such unpaid share of common expenses or assessments shall be deemed to be common expenses collectable from all of the owners of the apartment units in this project, including such purchaser or acquirer, his successors and assigns, on a prorata basis.

(14) Upon the sale or conveyance of an apartment unit, all unpaid assessments against the selling Co-Owner for his prorata share of the common expenses and charges shall be first paid out of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except the following:

(a) Assessments, liens and charges in favor of state and any political subdivision thereof for taxes due and unpaid on the apartment unit; and

(b) Amounts due under mortgage instruments duly recorded prior to the recordation of any assessment liens.

Each holder of a first mortgage lien on an apartment unit who comes into possession of the unit by virtue of foreclosure of the mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale held pursuant to said mortgage, shall take the apartment unit free from any claims for unpaid assessments and charges against the apartment unit which shall accrue prior to the time such holder comes into possession of the apartment unit, except for claims for a prorata share of such assessments or charges resulting from a prorata reallocation of such assessments or charges to all of the apartment units in this project, including such purchaser or acquirer, his successors and assigns.

(15) Any purchaser of an apartment unit, upon request prior to his purchase, shall be entitled to a statement from the Board of Directors as to the amount of the unpaid assessments and charges against the particular apartment unit to be sold and purchased, and such purchaser shall not be liable, nor shall the apartment unit sold be subject to any lien for any unpaid charge or assessment made by the Council of Co-Owners against the seller or his apartment unit in excess of the amount set forth in said statement for the period covered by such statement. Further provided, that any existing mortgagee of an apartment unit under a mortgage instrument duly recorded shall be entitled upon

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written request at least annually to a statement from the Board of Directors regarding any unpaid assessments due from the owner of such apartment unit, but the failure of such statement to recite any unpaid assessment shall not relieve the owner from liability therefor nor affect any lien therefor.

(16) Each apartment space shall be used and occupied only as a single-family dwelling and residential housing accommodation, or for rental purposes, and no apartment space shall be altered, remodeled, subdivided or converted into more than one(1) dwelling unit or housing accommodation.

(17) The Council of Co-Owners shall obtain and continue in effect blanket hazard insurance in an amount equal to one hundred (100%) percent of the current replacement cost, to insure the building and the owners thereof against risk of whatever character, without prejudice to the right of each Co-Owner to insure his own apartment on his own account and for his own benefit. The Council shall further be required to obtain and continue in effect a comprehensive policy of public liability insurance covering all of the common areas and commercial spaces in the condominium project in an amount not less than One Million (\$1,000,000.00) Dollars covering all claims for personal injury and/or property damage arising out of the use of the common areas and commercial spaces in said project. The Council of Co-Owners shall further obtain and continue in effect adequate fidelity coverage in an amount equal to not less than three (3) month's aggregate assessments plus reserve funds to protect against dishonest acts by its officers, directors, trustees and employees, and all others who are responsible for handling funds of the Council of Co-Owners. Such insurance may be written in the name of the Council of Co-Owners or any person designated in the By-Laws or this Declaration as a Trustee for each apartment owner and each apartment owner's mortgagee, if any. Each Co-Owner and his mortgagee, if any, shall be a beneficiary, even

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though not expressly named, in the percentages or fractions established in Paragraph 7 of this Declaration. The insurance cost and premiums for any blanket insurance coverage shall be a common expense to be paid by monthly or other periodic assessments as determined by the Board of Directors or the Council of Co-Owners, and all such payments collected on insurance shall be used solely for the payment of such insurance cost or premiums as the same become due. Each Co-Owner shall pay his prorata share of the cost of such insurance in proportion to his beneficial interest therein.

(18) In case of fire or other disaster or damage to or destruction of any property subject to this Declaration, the insurance proceeds shall be applied or disbursed, and the repair, reconstruction or disposition of such property and the obligations of the Co-Owners shall be as provided for by Sections 20 and 21, and any other pertinent or applicable provisions of the Texas Condominium Act. In the event there is substantial damage to the common elements or to a mortgaged unit, the Board of Directors shall give notice of said damage to all secured mortgagees, or beneficiaries of mortgages, or deeds of trust covering the apartment unit in said project.

(19) Owners of apartment units agree and adopt each and every provision, restriction, dedication, covenant, stipulation and reservation contained in and imposed by those certain "RESTRICTIONS--THE COVE AT WALDEN" which are attached hereto as Exhibit "K" and made a part hereof.

(20) Developer hereby explicitly reserves the right to construct marina type facilities including but not limited to individual boat slips on property owned by Developer immediately adjacent and contiguous to the project tract of land, and in that regard Developer or on entity organized by Developer reserves the right to sell or lease said facilities. Developer hereby covenants that in the event it constructs said facilities it will

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only sell or lease same to owners or guests of owners of apartment units in the Cove at Walden, A Condominium Project. Developer hereby reserves unto itself, its successors and assigns an easement of ingress and egress on, over and across the project tract of land as set forth in Exhibit A, or any amendments thereto, including any bulkheads constructed or to be constructed on said land, for the purpose of constructing and utilizing the facilities contemplated herein.

(21) All notices, communications and remittances to the Board of Directors shall be sent to it at its mailing address which may be established from time to time and of which the owners in this project shall be notified.

(22) In the event any of the declarations or provisions hereof shall be finally held invalid or unenforceable by any Court of competent jurisdiction, the same shall not affect the validity or enforceability of any of the other declarations and provisions hereof. If any declaration or provision herein contained shall be susceptible of two (2) or more interpretations, the interpretation which shall most nearly be in accord with the purposes and intents hereof shall govern.

(23) In the event of the omission herefrom of any declaration, stipulation or provision which shall be vital, necessary or expedient for the accomplishment of the purposes and intents of this Declaration, this Declaration shall not thereby fail, in whole or in part, but any and all omitted matter shall be supplied herein by inference and/or by reference to the provisions of the Texas Condominium Act under which this condominium regime is established, and such provisions of such Act are hereby made a part hereof by reference thereto.

(24) Lomas & Nettleton Financial Corporation, A Delaware Corporation, the holder of a lien or liens on The Cove at Walden, A Condominium Project, a parcel of property in Montgomery County, Texas, joins in the execution hereof to evidence its consent

211-01-2440

hereto and hereby subordinates its lien or liens to the provisions hereof.

DATED AND EXECUTED by the undersigned "Developer" this the 24th day of June, 1983.

THE COVE AT WALDEN, LTD.

By [Signature]
C. Whitney Knoll, President of
The Cove at Walden, Inc., Its
General Partner, on behalf of
said corporation

ATTEST:

[Signature]
Secretary

LOMAS & NETTLETON FINANCIAL CORPORATION

"Lienholder"

By [Signature]
President

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on the 24th day of June, 1983, by C. Whitney Knoll, President of The Cove at Walden, Inc., Its General Partner, on behalf of said corporation.

[Signature]
Notary Public in and for
the State of Texas

THE STATE OF TEXAS §
DALLAS
COUNTY OF ~~BERKIE~~ §

This instrument was acknowledged before me on the 20th day of June, 1983 by Steve Eberhardt, ^{Asst. Vice} President of Lomas & Nettleton Financial Corporation, on behalf of said corporation.

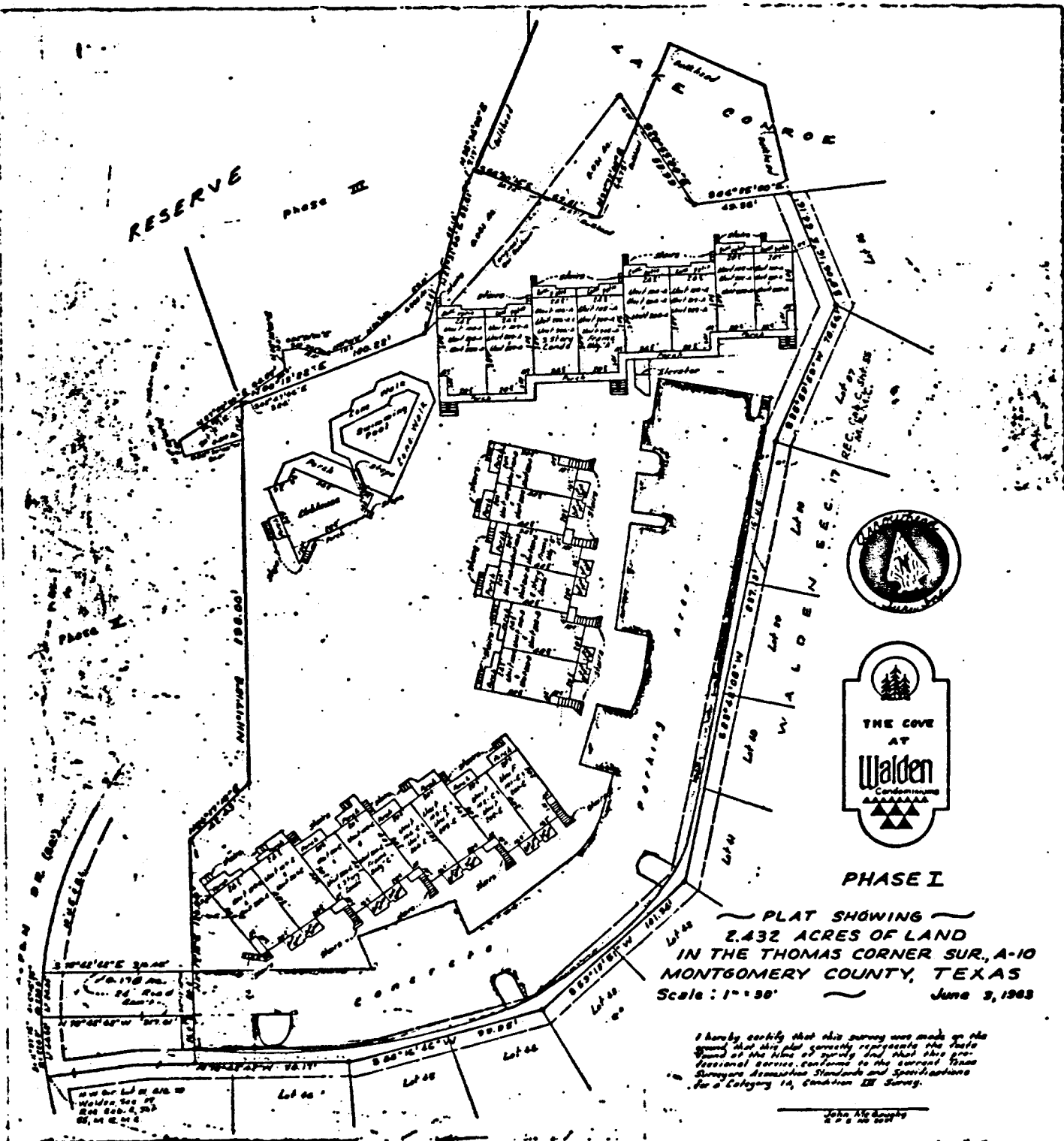
[Signature]
Notary Public in and for
the State of Texas
Sandra Ponce



My commission expires: 4/4/87

At the time of recording, the instrument was found to be inaccurate for the best photostatic reproduction because of illegibility, carbon & photo copy, discolored paper, etc. All books, calls, exhibits and charges were present at the time the instrument was filed and recorded.

211-01-2441



PHASE I

PLAT SHOWING
2.432 ACRES OF LAND
IN THE THOMAS CORNER SUR., A-10
MONTGOMERY COUNTY, TEXAS
Scale: 1" = 50' June 3, 1963

I hereby certify that this survey was made on the ground that this plat correctly represents the facts found at the time of survey and that the professional service conforms to the current Texas Surveyors Association Standards and Specifications for a Category 14, Condition III Survey.

John McLaughlin
S.P.S. No. 2227

Exhibit "A"

211-01-2442



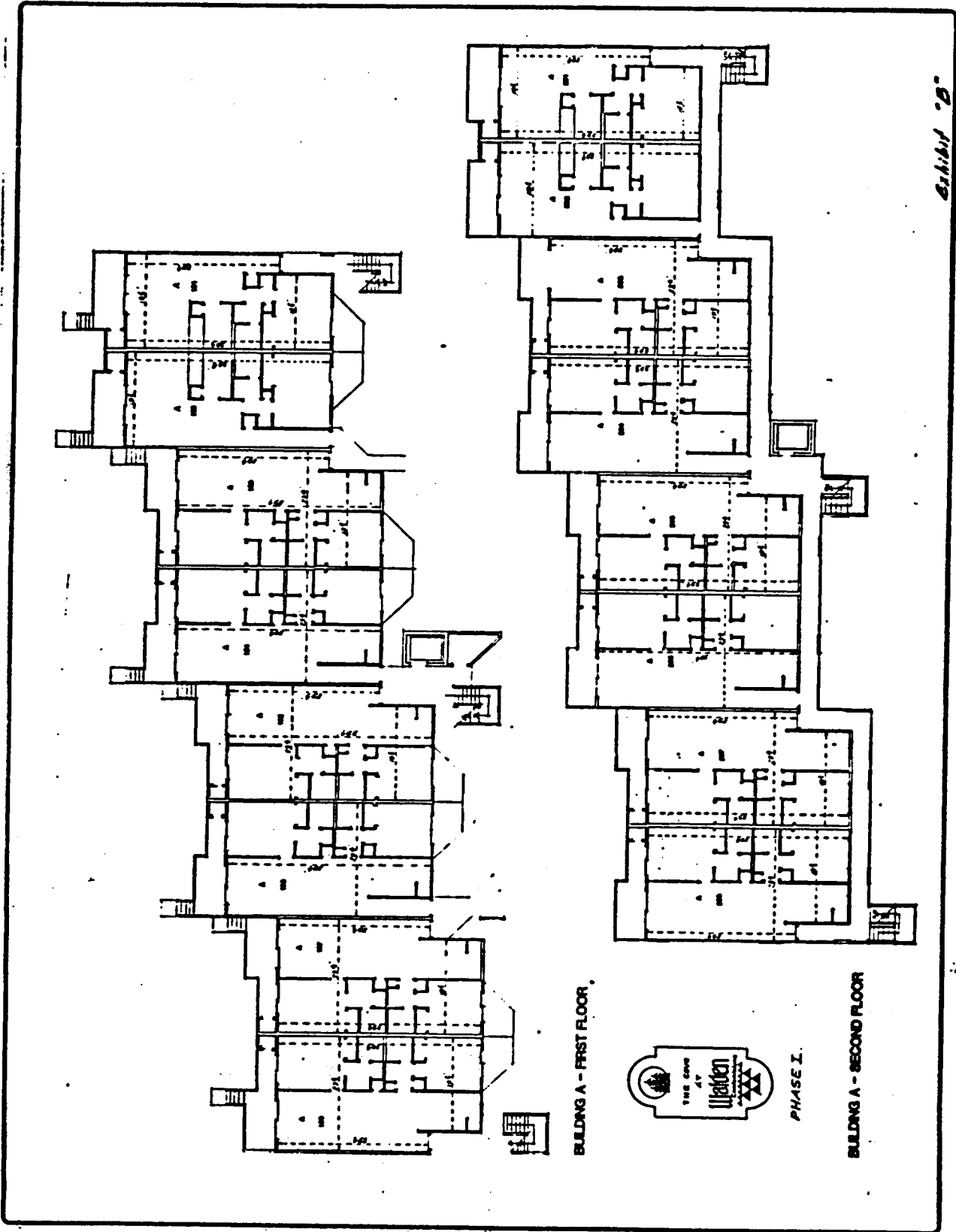
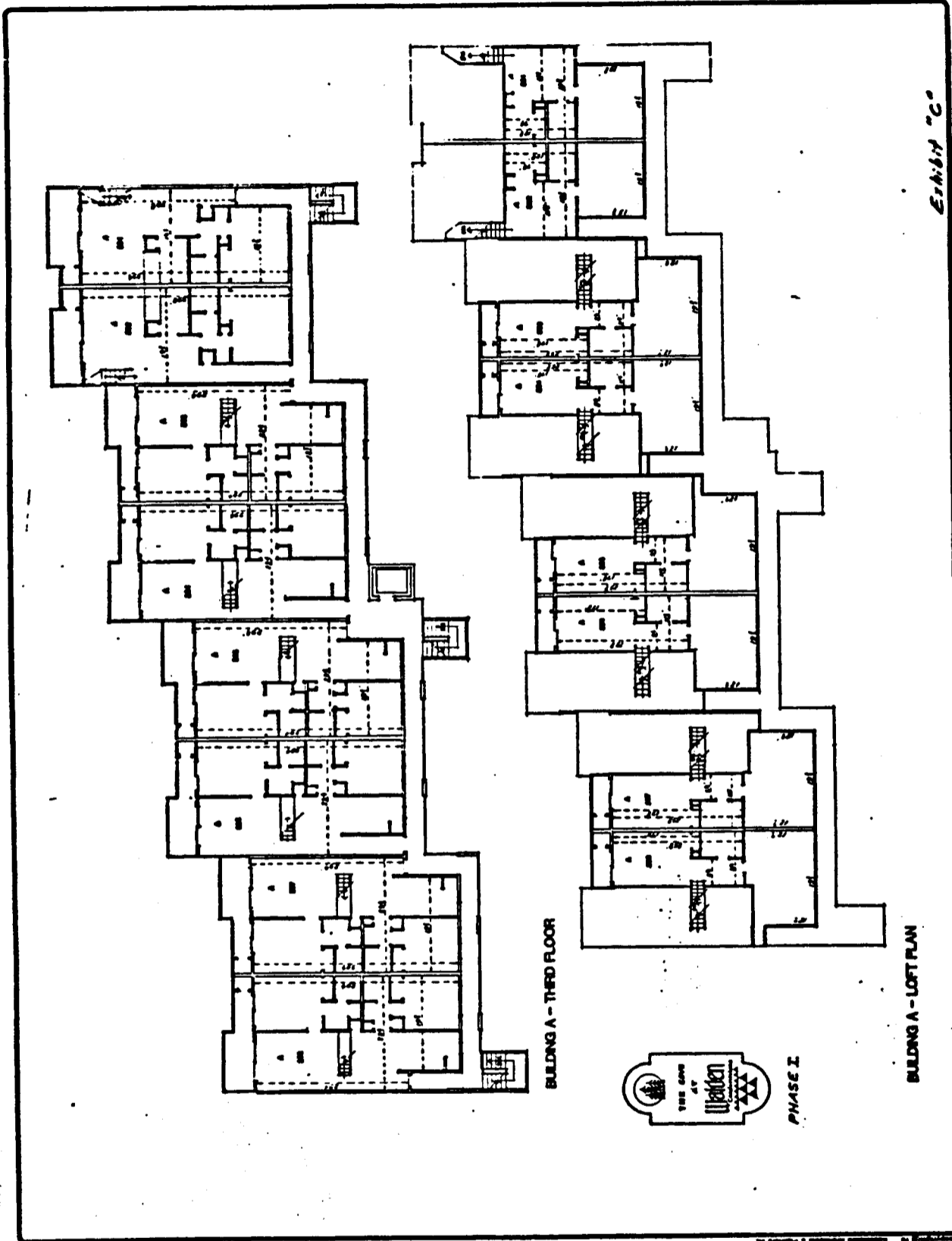


Exhibit 'B'

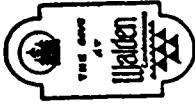
211-01-2443





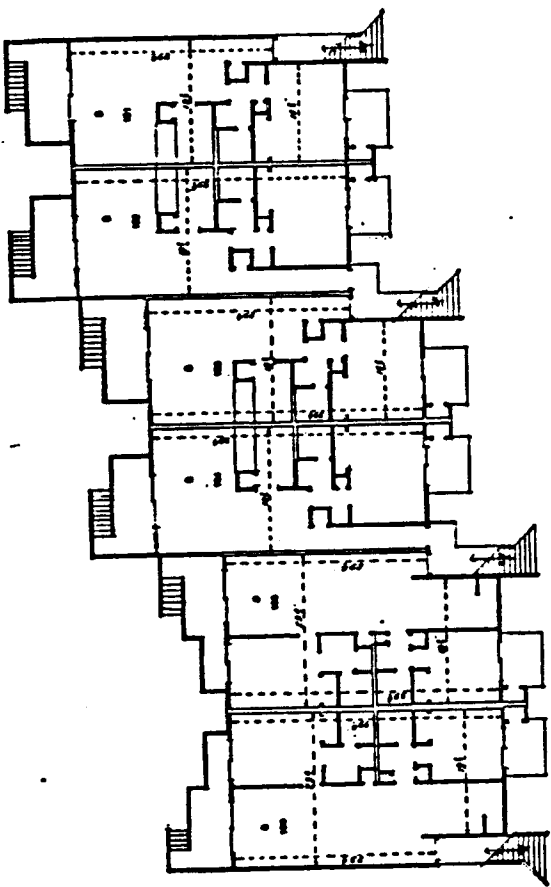
211-01-2444



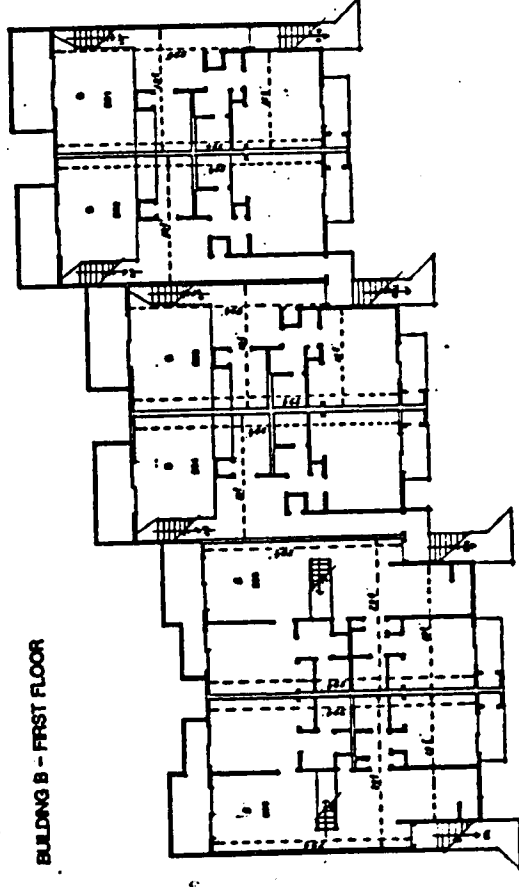


PHASE I

Exhibit "D"



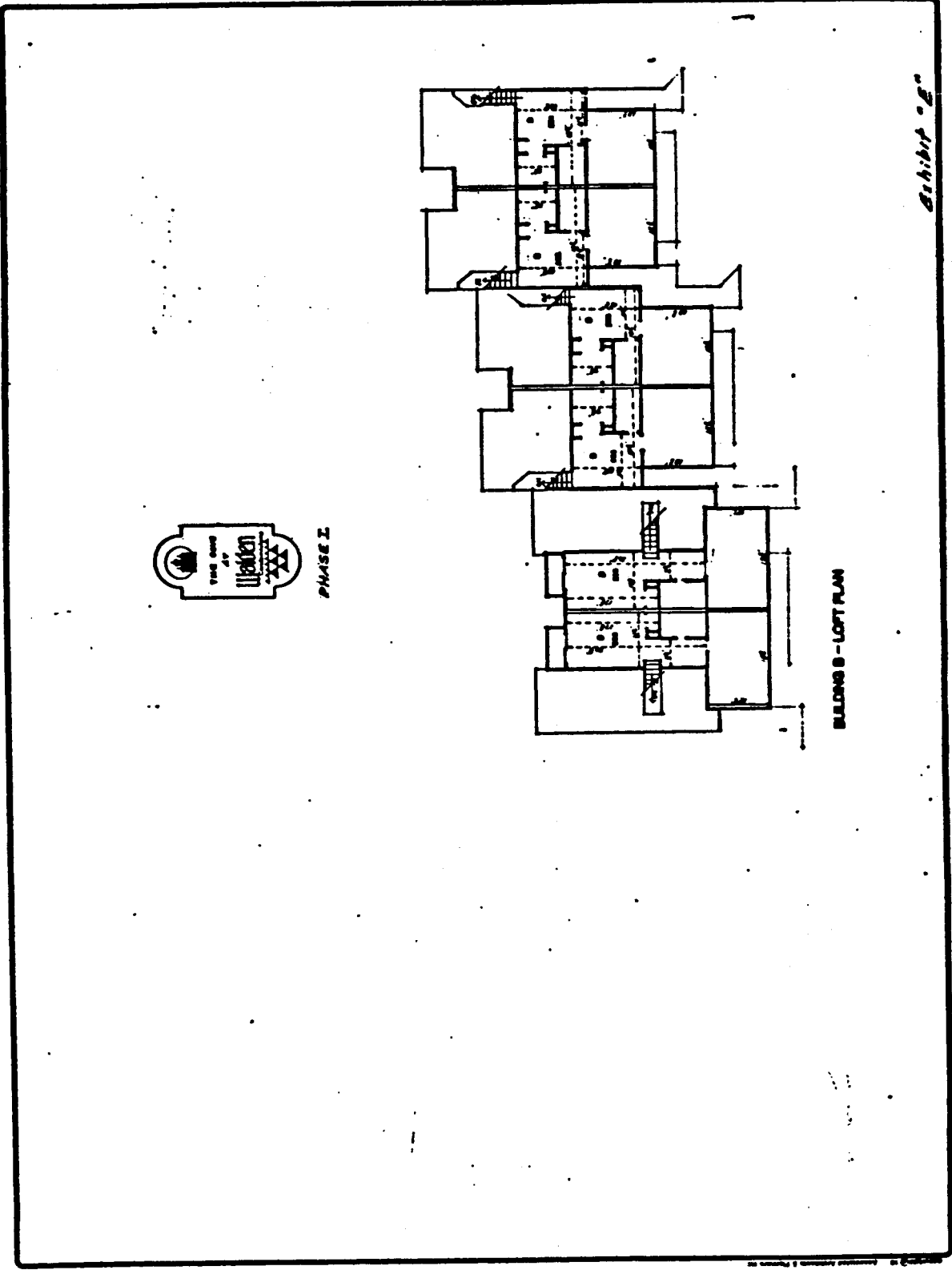
BUILDING B - FIRST FLOOR



BUILDING B - SECOND FLOOR

211-01-2445

ASSOCIATED ARCHITECTS PLANNERS INC.
 1000 ...
 ...

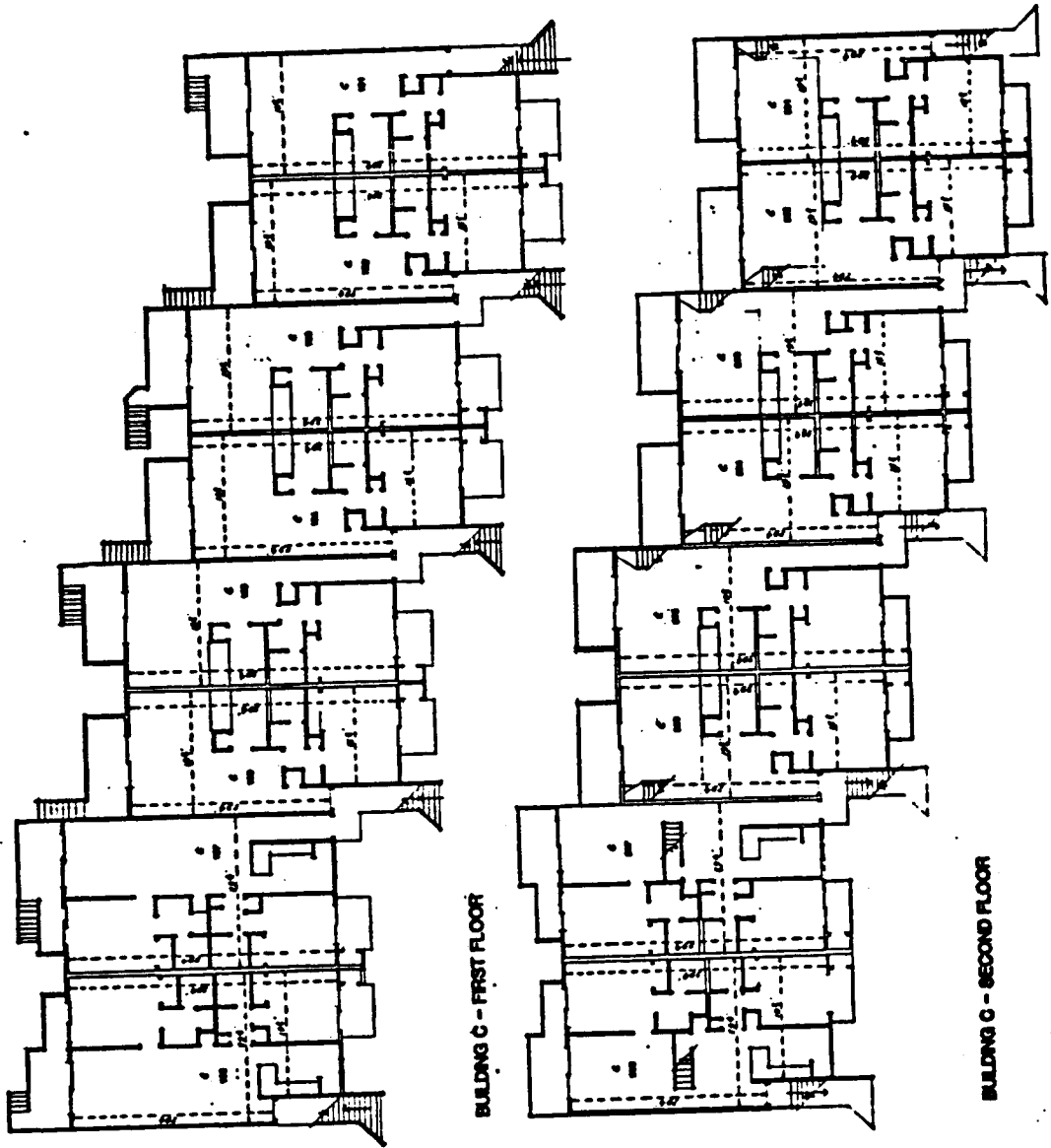


PHASE I

BUILDING B - LOFT PLAN

Exhibit

211-01-2446



BUILDING C - FIRST FLOOR

BUILDING C - SECOND FLOOR

Architect "A"



PHASE I.

BUILDING "A"

211-01-2448

Unit	Floor Elevation	Ceiling Height
101	208.60'	8.0'
102	208.60'	8.0'
103	208.60'	8.0'
104	208.60'	8.0'
105	208.60'	8.0'
106	208.60'	8.0'
107	208.60'	8.0'
108	208.60'	8.0'
201	218.27'	8.0'
202	218.27'	8.0'
203	218.27'	8.0'
204	218.27'	8.0'
205	218.27'	8.0'
206	218.27'	8.0'
207	218.27'	8.0'
208	218.27'	8.0'
301	227.94'	8.0' & 10.7'-16.7'
Loft	237.61'	0.0'-13.1'
302	227.94'	8.0' & 10.7'-16.7'
Loft	237.61'	0.0'-13.1'
303	227.94'	8.0' & 11.0'-20.4'
Loft	237.61'	0.0'-14.7'
304	227.94'	8.0' & 11.0'-20.4'
Loft	237.61'	0.0'-14.7'
305	227.94'	8.0' & 11.0'-20.4'
Loft	237.61'	0.0'-14.7'
306	227.94'	8.0' & 11.0'-20.4'
Loft	237.61'	0.0'-14.7'
307	227.94'	8.0' & 11.0'-20.4'
Loft	237.61'	0.0'-14.7'
308	227.94'	8.0' & 11.0'-20.4'
Loft	237.61'	0.0'-14.7'

EXHIBIT "H"

Sheet 1 of 9

BUILDING "B"

211-01-2449

Unit	Floor Elevation	Ceiling Height
101	210.38'	8.0'
102	212.53'	8.0'
103	212.53'	8.0'
104	214.86'	8.0'
105	214.86'	8.0'
106	215.62'	8.0'
201	220.05'	8.0' & 10.7'-23.6'
Loft	229.72'	0.0'-13.9'
202	222.20'	8.0' & 10.7'-16.7'
Loft	231.87'	0.0'-13.1'
203	222.20'	8.0' & 10.7'-16.7'
Loft	231.87'	0.0'-13.1'
204	224.53'	8.0' & 10.7'-16.7'
Loft	234.20'	0.0'-13.1'
205	224.53'	8.0' & 11.0'-20.4'
Loft	234.20'	0.0'-14.7'
206	225.29'	8.0' & 9.8'-17.5'
Loft	234.96'	0.0'-15.3'

EXHIBIT "H"

Sheet 2 of 9

BUILDING "C"

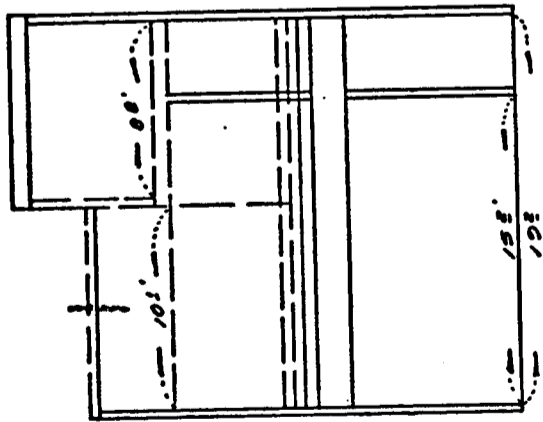
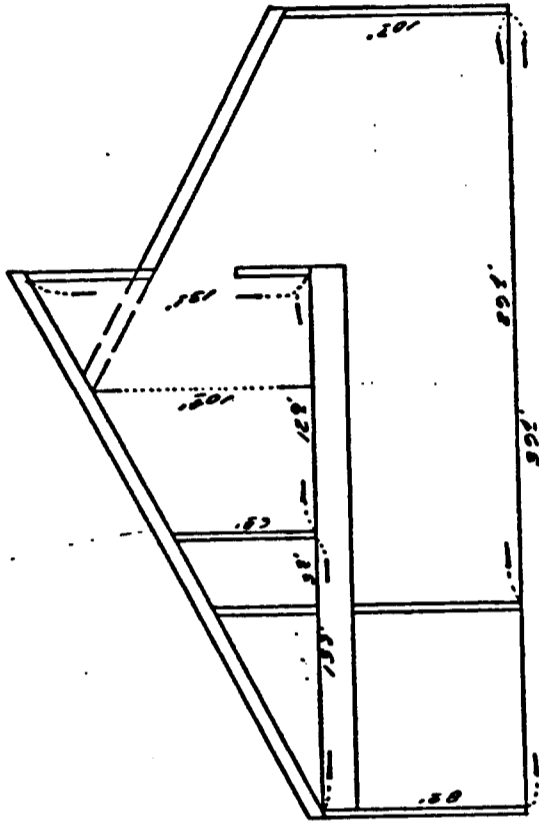
211-01-2450

Unit	Floor Elevation	Ceiling Height
101	218.08'	8.0'
102	218.92'	8.0'
103	218.92'	8.0'
104	218.92'	8.0'
105	218.92'	8.0'
106	218.92'	8.0'
107	218.92'	8.0'
108	220.04'	8.0'
201	227.75'	8.0' & 10.7'-16.7'
Loft	237.42'	0.0'-13.1'
202	228.59'	8.0' & 10.7'-23.6'
Loft	238.26'	0.0'-13.9'
203	228.59'	8.0' & 10.7'-16.7'
Loft	238.26'	0.0'-13.1'
204	228.59'	8.0' & 10.7'-16.7'
Loft	238.26'	0.0'-13.1'
205	228.59'	8.0' & 10.7'-16.7'
Loft	238.26'	0.0'-13.1'
206	228.59'	8.0' & 10.7'-23.6'
Loft	238.26'	0.0'-13.9'
207	228.59'	8.0' & 11.0'-20.4'
Loft	238.26'	0.0'-14.7'
208	229.71'	8.0' & 11.0'-20.4'
Loft	239.38'	0.0'-14.7'

EXHIBIT "H"

Sheet 3 of 9

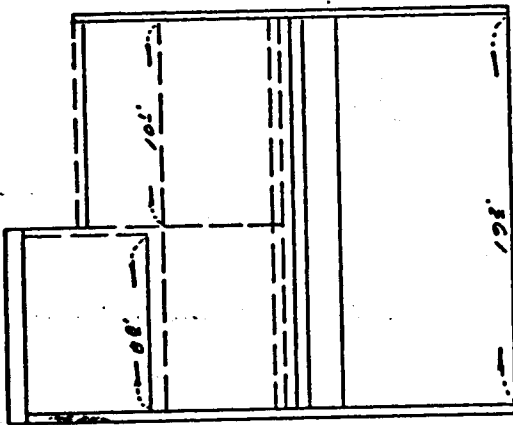
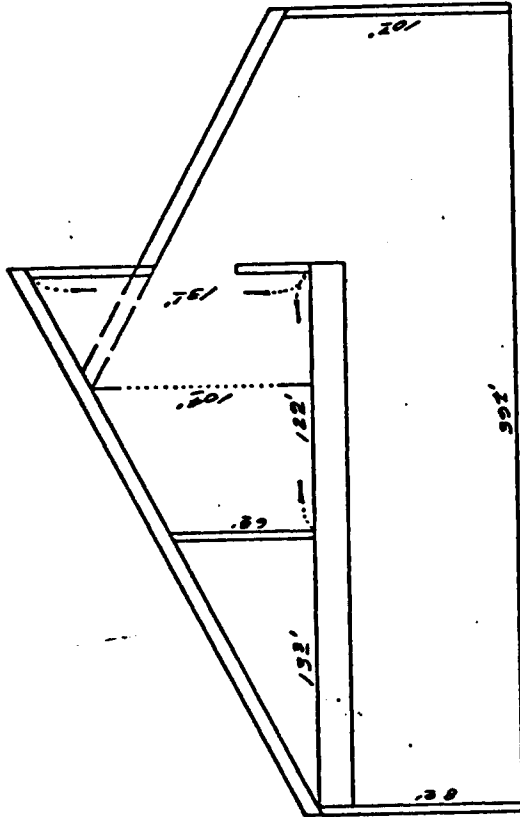
211-01-2451



TYPICAL CROSS SECTION
 THIRD FLOOR & LOFT
 UNIT 301, BLDG. "A"
 SECOND FLOOR & LOFT
 UNIT 203, BLDG. "B"
 UNIT 201, BLDG. "C"
 REVERSE FOR
 UNIT 204, BLDG. "C"

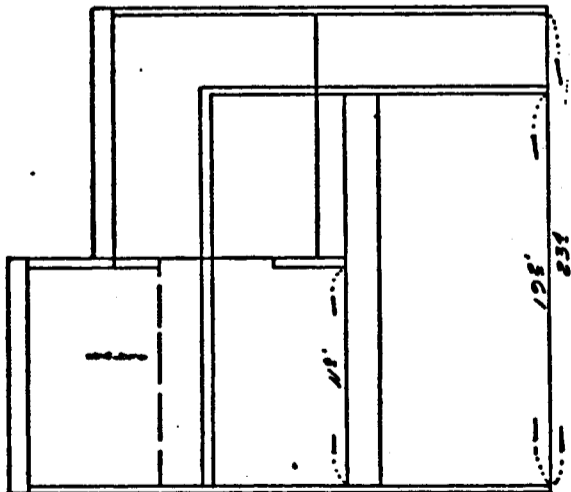
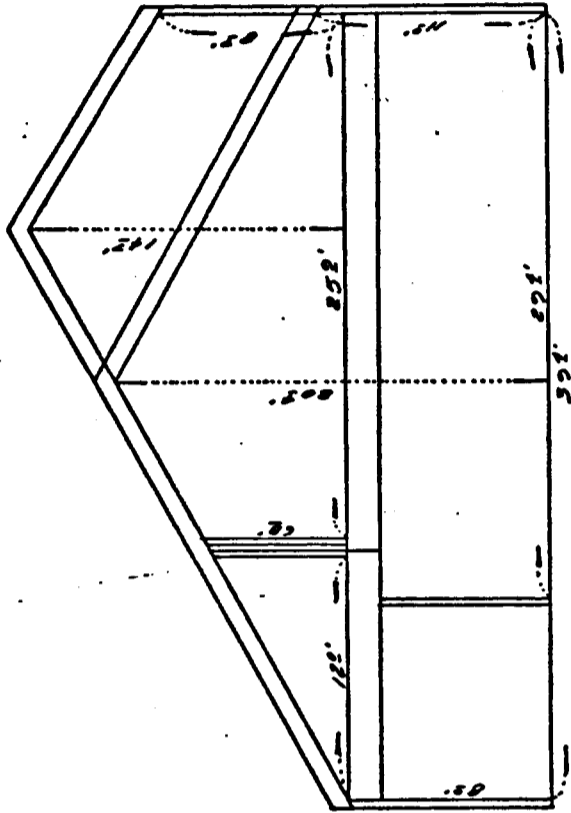
PHASE I
 THE COVE AT WALDEN ON LAKE CONROE
 THOMAS CORNER SUR., A-10
 MONTGOMERY COUNTY, TEXAS
 Scale: 1/8"=1' June 17, 1983

EXHIBIT "H"
 Sheet 4 of 9



TYPICAL CROSS SECTION
 THIRD FLOOR & LOFT
 UNIT 302, BLDG. "A"
 SECOND FLOOR & LOFT
 UNITS 202 & 204, BLDG. "B"
 REVERSE FOR
 UNITS 203 & 205, BLDG. "C"
 PHASE I
 THE COVE AT WALDEN ON LAKE CONROE
 THOMAS CORNER SUR., A-10
 MONTGOMERY COUNTY, TEXAS
 Scale: 1/8"=1' June 17, 1983

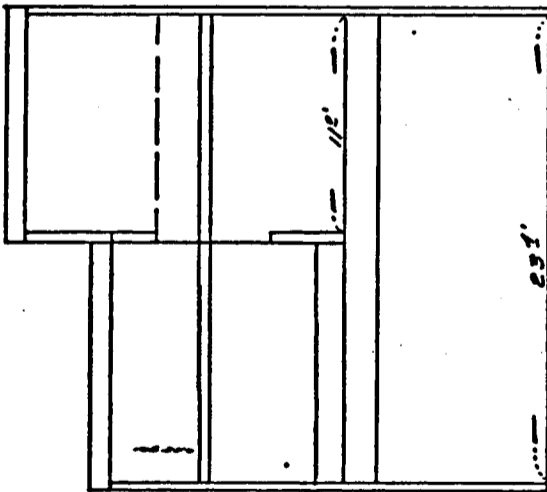
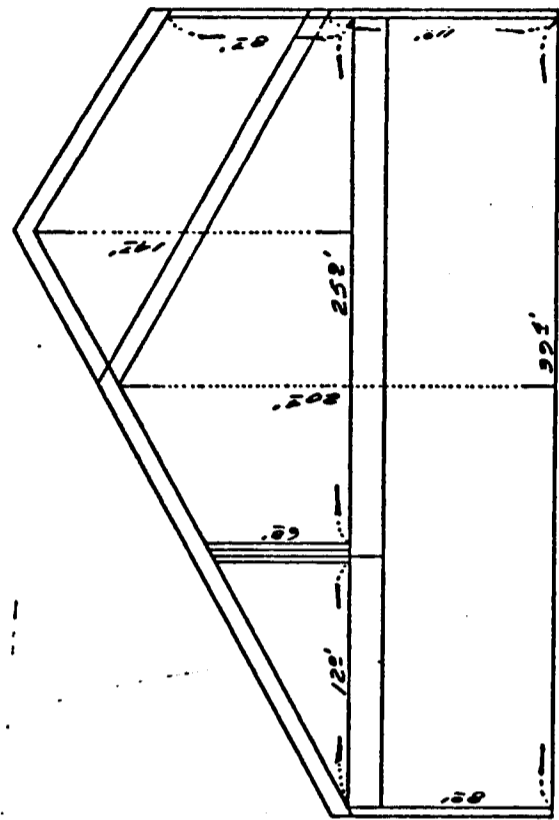
211-01-2453



TYPICAL CROSS SECTION
THIRD FLOOR & LOFT
UNITS 303, 305 & 307, BLDG. "A"
REVERSE FOR
UNIT 308, BLDG. "A"
SECOND FLOOR & LOFT
UNIT 205, BLDG. "B"
REVERSE FOR
UNIT 208, BLDG. "C"
PHASE I

THE COVE AT WALDEN ON LAKE CONROE
THOMAS CORNER SUR., A-10
MONTGOMERY COUNTY, TEXAS
Scale: 1/8"=1' June 17, 1983

EXHIBIT "H"
Sheet 6 of 9



TYPICAL CROSS SECTION
 THIRD FLOOR & LOFT
 UNITS 304 & 306, BLDG. "A"

REVERSE FOR
 SECOND FLOOR & LOFT
 UNIT 207, BLDG. "C"

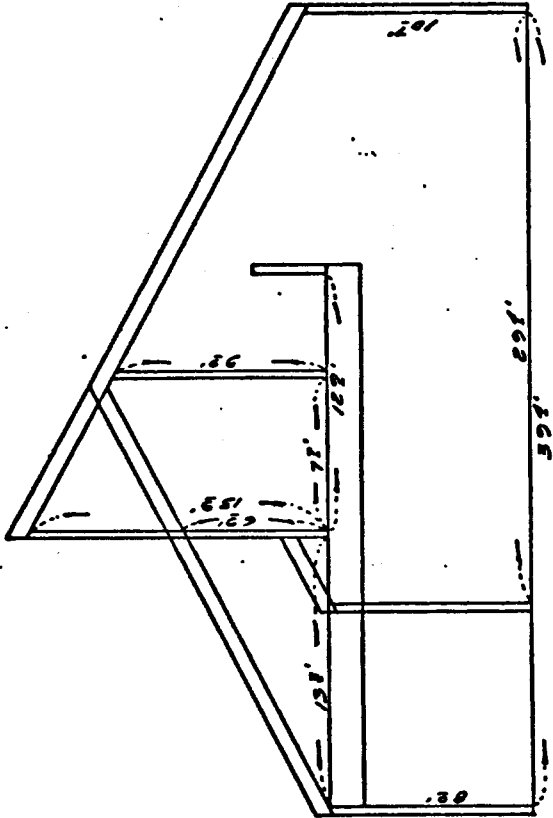
PHASE I

THE COVE AT WALDEN ON LAKE CONROE
 THOMAS CORNER SUR., A-10
 MONTGOMERY COUNTY, TEXAS

Scale: 1/8"=1' June 17, 1983

211-01-2455

EXHIBIT "H"
Sheet 8 of 9



TYPICAL CROSS SECTION
SECOND FLOOR & LOFT
UNIT 201, BLDG. "B"

REVERSE FOR
UNITS 202 & 206, BLDG. "C"

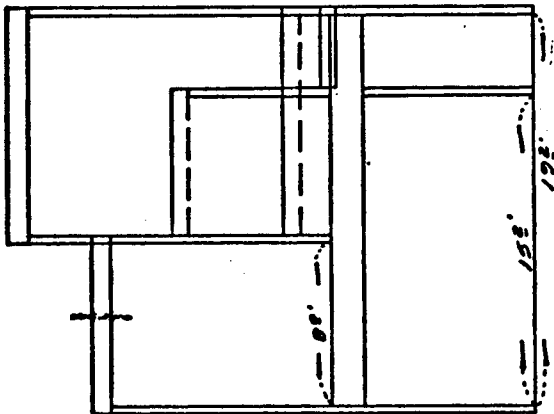
PHASE I

THE COVE AT WALDEN ON LAKE CONROE

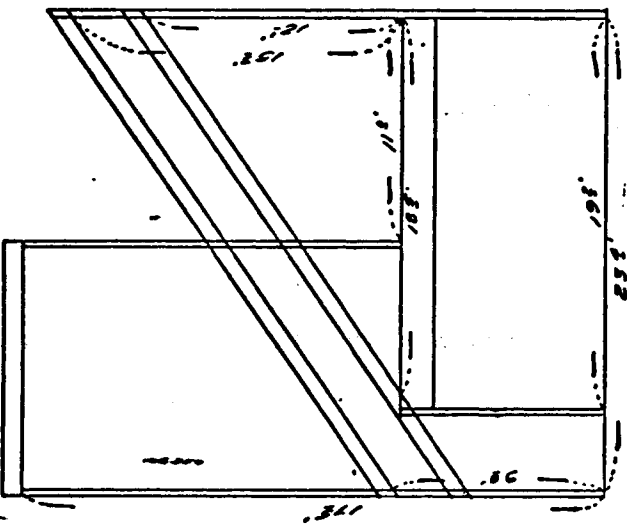
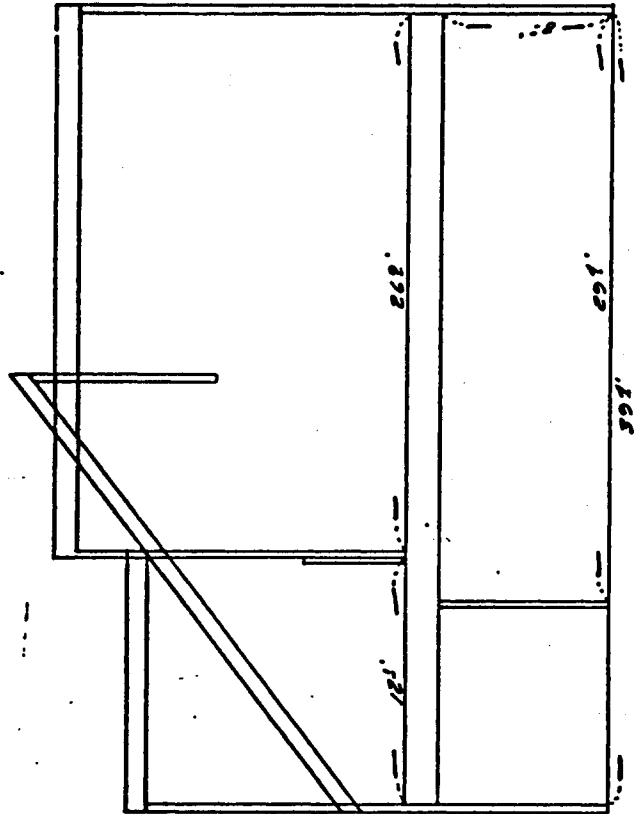
THOMAS CORNER SUR., A-10

MONTGOMERY COUNTY, TEXAS

Scale: 1/8"=1' June 17, 1983

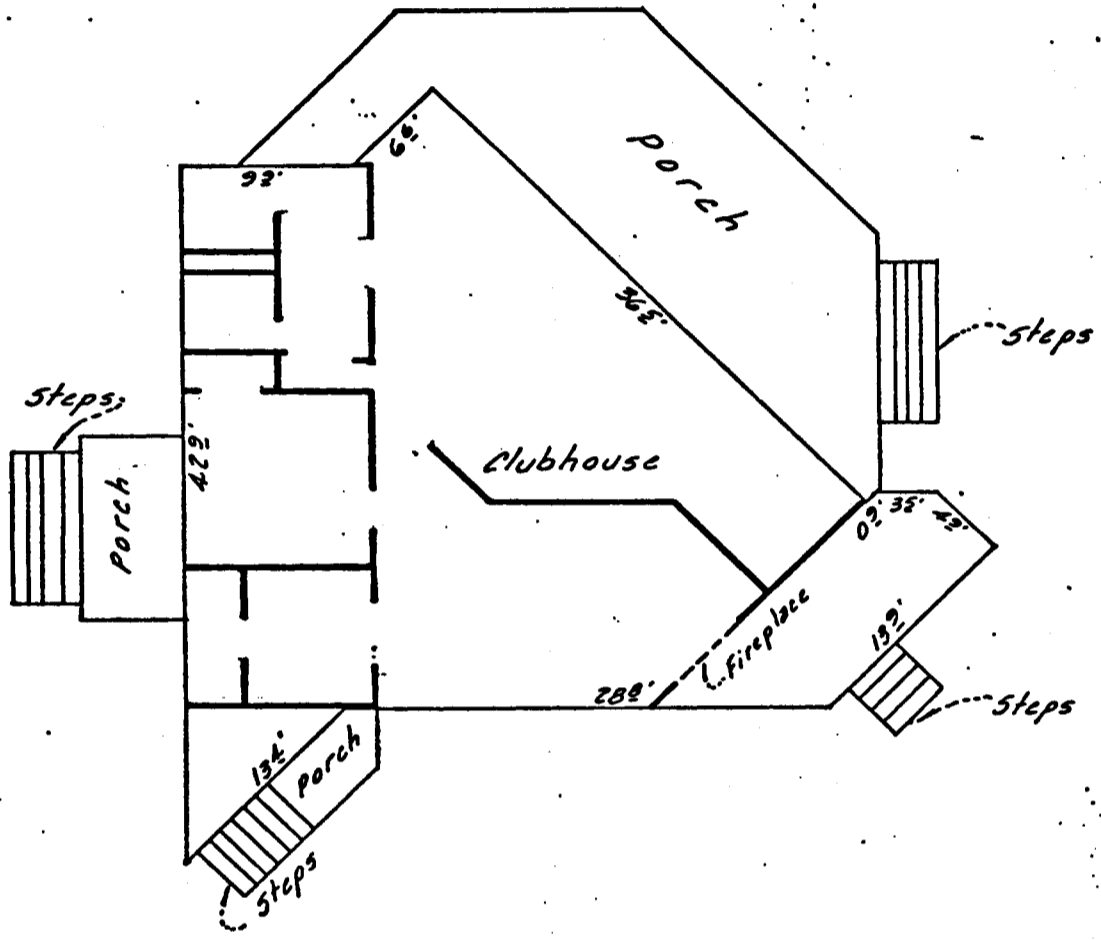


211-01-2456



CROSS SECTION
SECOND FLOOR & LOFT
UNIT 206, BLDG. "B"
PHASE I
THE COVE AT WALDEN ON LAKE CONROE
THOMAS CORNER SUR., A-10
MONTGOMERY COUNTY, TEXAS
Scale: 1/8"=1' June 17, 1983

211-01-2457



CLUBHOUSE

EXHIBIT "I"

211-01-2459

THENCE N.11°17'18"E., a distance of 120.00 feet to a 1/2" Iron Rod for the lower northwest corner of the herein described tract;

THENCE N.56°17'18"E., a distance of 42.43 feet to a 1/2" Iron Rod for an inner corner of the herein described tract;

THENCE N.11°17'18"E., a distance of 198.00 feet to a 1/2" Iron Rod for the upper northwest corner of the herein described tract;

THENCE N.80°13'22"E., a distance of 100.22 feet to a 1/2" Iron Rod in the 201 foot Contour Line of Lake Conroe, for an Angle Point;

THENCE N.27°31'00"E., with said Contour Line, a distance of 82.61 feet to an Angle Point;

THENCE N.35°34'00"E., continuing with said Contour Line, a distance of 7.17 feet to a point in a Bulkhead, for an Angle Point;

THENCE S.56°00'14"E., with said Bulkhead, a distance of 69.81 feet to an inner corner of the herein described tract;

THENCE N.33°32'00"E., continuing with said Bulkhead, a distance of 54.75 feet to a point in the 201 foot Contour Line, for an Angle Point;

THENCE S.20°55'00"E., with said Contour Line, a distance of 53.39 feet to a 1/2" Iron Rod for an Angle Point;

THENCE S.84°35'00"E., continuing with said Contour Line, a distance of 49.38 feet to a 1/2" Iron Rod in the west line of Block 70, Walden on Lake Conroe, Section 17, for the northeast corner of the herein described tract;

THENCE Southerly, with said west line, the following courses:

S.9°06'16"E., 64.16 feet to a 1/2" Iron Rod;
S.35°59'59"W., 78.56 feet to a 1/2" Iron Rod; and
S.23°42'08"W., 237.13 feet to a 1/2" Iron Rod for the southeast corner of the herein described tract;

THENCE Westerly, with a north line of said Block 70, the following courses:

S.59°13'51"W., 101.34 feet to a 1/2" Iron Rod;
S.88°16'46"W., 99.95 feet to a 1/2" Iron Rod; and
N.78°42'42"W., 78.17 feet to the place of BEGINNING, containing 2.433 acres (105,956 square feet) of land and being Phase I, The Cover at Walden, out of Reserve "B", Walden on Lake Conroe, Section 17.

TRACT 2:

Being 0.175 acre of land in the Thomas Corner Sur., A-10, Montgomery County, Texas, and being more particularly described as follows:

BEGINNING at a point for the southeast corner of the herein described easement, and being N.78°42'42"W., 78.17 feet and N.11°17'18"E., 26.00 feet from the northeast corner of Lot 46, Block 70, Walden on Lake Conroe, Section 17, map of

which is recorded in Cab. C, Sheet 55, of the map records of Montgomery County;

THENCE N.78°42'42"W., a distance of 317.61 feet to a point in the east line of Aspen Drive, 60 feet in width, for the southwest corner of the herein described easement;

THENCE Northerly, with said east line having a curve to the right with a Radius of 220.00 feet through a Central Angle of 6°15'35", a distance of 24.04 feet to a point for the northwest corner of the herein described easement;

THENCE S.78°42'42"E., a distance of 316.48 feet to a point in the west line of Phase I, The Cove at Walden, for the northeast corner of the herein described easement;

THENCE S.11°17'18"W., with said west line, a distance of 24.00 feet to the place of BEGINNING, containing 0.175 acre (7,615 square feet) of land and being a 24 foot Road Easement.

2. The provisions of these By-Laws shall be applicable to The Cove at Walden, A Condominium Project.

3. All present or future owners, tenants, future tenants, mortgagees, or future mortgagees, or the employees of either of them or any person that might use the facilities of The Cove at Walden Condominium in any manner, are subject to these By-Laws and to the Enabling Declaration. Any person, firm, or corporation acquiring, leasing, occupying, or renting any of the units in The Cove at Walden Condominium accepts and ratifies these By-Laws, and the Enabling Declaration, and agrees that the terms and provisions of both will be complied with.

ARTICLE II

VOTING, MAJORITY OF OWNERS, QUORUMS, PROXIES

1. Voting shall be on a percentage basis. The percentage of the vote to which each owner is entitled is the percentage established for undivided ownership in the general common elements by paragraph 7 of the Enabling Declaration or any amendments thereof.

2. As used in these By-Laws, the term "majority of owners" shall mean those owners possessing fifty-one (51%) percent of the total votes in accordance with the percentage established for

211-01-2461

undivided ownership in the general common elements by paragraph 7 of the Enabling Declaration.

3. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a "majority of owners" as defined in Section 2 of this Article shall constitute a quorum.

4. Votes may be cast in person or by proxy; proxies must be filed with the Secretary before the appointed time of each meeting.

5. An annual meeting of the members of the Council of Co-Owners shall be held each year for the election of officers and the transaction of such other business as may properly be brought before the meeting. Annual meetings shall be held on such dates and at such time and places as the Board of Directors shall annually determine, or on such date and at such time and place as the Council may decide upon at any meeting. Written notice stating the date, time and place of any annual meeting shall be mailed or personally delivered to all members not less than ten (10) days nor more than fifty (50) days before the meeting. Unless otherwise specified by the Board of Directors, all annual meetings shall be held on the Project Property.

6. Special meetings of the Council of Co-Owners may be called by the President, or by a majority of the members of the Board of Administration, or by owners having at least ten (10%) percent of the votes entitled to be cast at such meeting. Said meetings shall be called by written notice mailed or personally delivered not less than ten (10) nor more than fifty (50) days prior to the date fixed for said meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered. Unless otherwise specified in the notice of the meeting, all special meetings shall be held on the Project Property.

7. Any notice which shall be given to a member of the Council of Co-Owners by mail with respect to any meeting or for any purpose shall be deemed to have been properly delivered when deposited in the United States Mail with postage prepaid and addressed to the member's address as it appears on the records of the Council of Co-Owners. Any notice required or permitted to be given to a member of the Council of Co-Owners hereunder may be waived by execution of a written waiver by such member before or after the time stated therein. Such waiver shall be the equivalent of giving notice.

8. The order of business at all meetings of the Council of Co-Owners shall be determined by the presiding officer or majority vote of the meeting. The latter shall govern in case of any objection to the former.

9. Any action required or permitted to be taken at a meeting of the Council of Co-Owners may be taken without a meeting, if a consent in writing specifying the action so taken, is signed by all of the owners. A unanimous consent signed by all of the owners shall have the same force and effect as a unanimous vote at a meeting of the Council of Co-Owners.

10. Where officers are to be elected, such election may be conducted by mail in such manner as the Board of Directors shall determine.

11. Written notice shall be mailed or personally delivered not less than ten (10) nor more than fifty (50) days prior to the date fixed for an annual meeting or a special meeting of the Council of Co-Owners to all first mortgagees, or beneficiaries of mortgages, or deeds of trust covering the apartment units, and said mortgagees, or beneficiaries of mortgages, or deeds of trust shall be entitled to designate a representative to attend all meetings of the Council of Co-Owners.

ARTICLE III

211-01-2463

ADMINISTRATION

1. The Board of Directors shall designate a Managing Agent with the powers and duties necessary for the administration of the affairs of the Council of Co-Owners and who shall be authorized to do all such acts and things as are not by law or these By-Laws directed to be done and/or exercised by the owners and in accordance with a Management Contract if one is approved by the Council of Co-Owners.

2. In addition to duties imposed by these By-Laws or by resolution of the Council of Co-Owners, the Agent shall be responsible for the following:

(a) Care, upkeep and surveillance of the condominium and the common elements and facilities and the limited common elements and facilities.

(b) Assessing and collecting the monthly assessments from the owners and any special assessments authorized by the Council of Co-Owners under Paragraph 12, Section i, of the Enabling Declaration.

(c) Keeping a book with a detailed account of the receipts and any other expenses incurred by, or in behalf of, the condominium. Both the book and the vouchers accrediting the entries made thereon shall be available for examination by all the Co-Owners at convenient hours on working days that shall be set and announced for general knowledge. All books and records shall be kept in accordance with good accounting procedures and be audited at least once a year by an auditor outside of the organization.

(d) Designation and dismissal of the personnel necessary for the maintenance and operation of the condominium, the common elements and facilities and the limited common elements and facilities.

211-01-2464

(e) Without limiting the rights of any owner, action may be brought by Agent, or other persons designated by the By-Laws or the Council of Co-Owners, in either case in the discretion of the Council of Co-Owners, on behalf of two or more of the apartment owners, as their respective interests may appear, with respect to any cause of action relating to the common elements of more than one apartment.

3. The Agent shall conduct this business for the Co-Owners for actual cost.

4. Agent shall have the right to engage in rental contracts with the individual owners as the sole rental agent, this being a contract with each owner at his option. Nothing herein shall require the owner to use the Agent, or any employee of the Agent, it being understood that the owner may, at his discretion, either rent or not rent his unit, utilizing any rental agent he so desires.

ARTICLE IV

OFFICERS

1. The principal officers of the Council of Co-Owners shall be a President, a Vice-President and a Secretary-Treasurer, all of whom shall be elected by and from the Council of Co-Owners, and be known as the Board of Directors. The officers may appoint an Assistant Secretary-Treasurer and such other officers as in their judgment may be necessary.

2. The officers of the Council of Co-Owners shall be elected annually and shall hold office for one (1) year.

3. Upon an affirmative vote of a majority of the members of the Council of Co-Owners any officer may be removed, either with or without cause, and his successor elected at any regular meeting or at any special meeting called for such purpose.

4. The President shall be the chief executive officer. He shall preside at all meetings of the Council of Co-Owners. He

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shall have all of the general powers and duties, which are usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from the owners from time to time as he may decide is appropriate to assist in the conduct of the affairs of the Council of Co-Owners.

5. The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Council of Co-Owners shall appoint some other member of the Co-Owners to do so on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Council of Co-Owners.

6. The Secretary-Treasurer shall keep the minutes of all meetings of the Council of Co-Owners and he shall have charge of such books and papers as may be directed, and he shall, in general, perform all the duties incidental to the office of Secretary. He shall also have responsibility for the funds and securities belonging to the Council of Co-Owners, and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Council of Co-Owners. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit of the Council of Co-Owners in such depositories as may from time to time be designated by the Council.

7. Officers, as such, shall not receive any salary for their services, provided that nothing herein contained shall be construed to preclude any officer from serving the Council of Co-Owners in any other capacity and receiving compensation therefor. The salaries for officers for services other than as such shall be fixed by the members of the Co-Owners.

8. The first meeting of each newly elected Board of Directors shall be held without notice immediately following the annual meeting of the Council of Co-Owners at the same place as the annual meeting, unless by unanimous consent of the officers then elected and serving, such time or place shall be changed.

9. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of the date, time and place of regular meetings shall be given to each member of the Board of Directors personally or by mail, telephone or telegraph, at least three (3) days prior to the date designated for such meeting.

10. Special meetings of the Board of Directors may be called by the President and shall be called by the Secretary on the written request of two (2) members of the Board of Directors. Notice of any special meeting of the Board of Directors shall be given to each member at least three (3) days before the date of the meeting.

11. Absent actual notice, proper notice shall be deemed to have been given of any special meeting of the Board of Directors if notice in writing or by telephone or telegraph message shall have been sent to either the usual business or residence address of the person entitled to receive notice not less than three (3) days preceding the date of the meeting.

12. Before or after any meeting of the Board of Directors, any member may waive notice of the time, date, place and purpose of such meeting by execution of a waiver thereof in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board of Directors shall be deemed as a waiver of the required notice of such meeting. If all the members of the

Board of Directors are present at any meeting, no notice thereof shall be required and any business may be transacted at such meeting.

13. At all meetings of the Board of Directors a majority of the members of the Board of Directors shall constitute a quorum for the transaction of business, and the acts and decisions of the majority of the members present at any duly-called meeting at which a quorum is present and of which notice was properly given or waived shall be the acts of the entire Board of Directors.

14. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing specifying the actions so taken is signed by all of the members of the Board of Directors. A unanimous consent signed by all of the officers shall have the same force and effect as a unanimous vote at a meeting of the officers.

15. Vacancies in the Board of Directors caused by any reason other than an increase in the authorized number of officers or the removal of a board member by vote of the Council of Co-Owners shall be filled for the unexpired term by a vote of the majority of the remaining members of the Board of Directors even though they may constitute less than a quorum. Each person so elected shall be a member until a successor is elected at the next annual meeting of the Council of Co-Owners or special meeting called for that purpose.

16. Any member of the Board of Directors may resign at any time by giving written notice of resignation to the President or any other officer of the Council of Co-Owners.

ARTICLE V

OBLIGATIONS OF THE OWNERS

1. All owners of units in the condominium project are bound and obligated to contribute monthly or as otherwise periodically assessed by the Council of Co-Owners, or by the

Board of Directors when authorized to do so by these By-Laws or by resolution of the Council of Co-Owners, their pro-rata part, in the same percentages established for undivided ownership of the general common elements by Paragraph 7 of the Enabling Declaration, or any amendments thereto, of the expenses of administration, upkeep, maintenance, and repair of the general common elements of the condominium, and in the proper case, of the limited common elements, as any and all such common elements are described and defined in said Declaration, and toward any other expense lawfully agreed upon by the Council of Co-Owners, each of which assessments shall become due and payable within ten (10) days from the date each such assessment is made, unless otherwise specified in the assessment. All such assessments shall pro-rata become liens against the respective units of the project at the time each of such assessments becomes due and payable, subordinate, however, to certain other liens as stated in the Enabling Declaration. These assessments may include, but are not limited to amounts necessary to pay premiums for a liability insurance policy, non-ownership vehicle liability, and an insurance policy to cover repair and reconstruction in case the improvements are damaged or destroyed by fire, earthquake, hurricane or other hazard, and bonds, and other insurance the Board of Directors may obtain. The President of the Council of Co-Owners is authorized to negotiate and settle, on behalf of the Co-Owners of such condominium, with any insurance company or companies insuring the Co-Owners of such condominium from any casualty or catastrophe loss to any portion of such condominium concerning any particular loss occurring to such property, including negotiating and settling with respect to final approval of repairs, signing proofs of loss, and accepting and endorsing checks from such insurance company or companies paying the amount of the loss as so negotiated and agreed upon. However, nothing

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included herein shall prejudice the right of each Co-Owner to insure his unit on his own account and for his own benefit.

2. Every owner must promptly perform all maintenance and repair work within his own unit, which if omitted would affect the property in its entirety or in a part belonging to other owners, being expressly responsible for the damages and liabilities that his failure to do so may engender. However, any repairs to the common elements in an individual unit and any damage to an individual unit caused by the common elements shall be the obligation of all the unit owners.

3. All the repairs of internal installations such as water, light, gas, power, sewage, telephone, air conditioners, sanitary installations, doors, windows, lamps, appliances and all other accessories belonging to the unit area shall be at the owner's expense.

4. An owner shall reimburse the Council of Co-Owners for any expenditures incurred in repairing or replacing any common elements and facilities damaged through his negligence.

5. All apartment units shall be used and occupied for residential purposes only.

6. An owner shall not make structural modifications or alterations in his unit or installations located therein without previously notifying the Council of Co-Owners in writing, through the Management Agent, if any, or through the President of the Board of Directors, if no Management Agent is employed. The Council of Co-Owners through said Agent or President of the Board shall have the obligation to answer within ten (10) days, and failure to do so within said time shall mean that there is no objection to the proposed modification or alteration. However, if such owner shall be notified of any reasonable objection thereto, then such owner shall not make such structural modifications or changes.

7. An owner shall not place or cause to be placed in the lobbies, halls, vestibules, stairways, elevators, if any, or other areas of a similar nature, any furniture, packages, or objects of any kind. These areas shall be used for no other purpose than for normal transit through them.

8. The Management Agent, if one is employed, or any other person authorized by the Board of Directors or the Council of Co-Owners may enter any apartment in case of serious emergency originating in or threatening such apartment, whether the owner is present at the time or not.

9. An owner shall permit other owners, or their representatives, when so required, to enter his unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of an emergency, such right of entry shall be immediate.

10. No resident of the condominium project shall post any advertisements or posters of any kind in or on the buildings except as authorized by the Board of Directors.

11. Residents shall exercise extreme care about making noises or the use of musical instruments, radios, television and amplifiers that may disturb other residents.

12. It is prohibited to hang garments, rugs, or any other items from the windows or from any of the facades of the buildings.

13. It is prohibited to dust rugs or any other items from the windows, or to clean rugs or any other items by beating on the exterior part of the buildings.

14. It is prohibited to throw garbage or trash outside the disposal installations provided for such purposes in the service areas.

15. No owner, resident, or lessee shall install wiring for electrical or telephone installation, television antennae, machines, or air conditioning units, etc. on the exterior of the buildings or that protrude through the walls or the roof of the buildings, except as authorized by the Board of Directors.

16. Reasonable and customary regulations for the use of the swimming pool and recreation areas will be promulgated hereafter and publicly posted at such places. Owners and all occupants of units shall, at all times, comply with such regulations.

17. All pets on the condominium project shall be on a leash and attended by their owner at all times.

18. Skate boards and other similar type devices shall not be used on porches or balconies.

ARTICLE VI

RULES AND ENFORCEMENT

1. Subject to the approval of the Council of Co-Owners, the Board of Directors shall have the power to make rules for their own government and for the government of the Council of Co-Owners; to prescribe and enforce penalties for violations of the rules and By-Laws of the Council of Co-Owners; to assess and fix charges to be levied against the members of the Council of Co-Owners; and to exercise such other powers as may be necessary or proper to attain the object of the Council of Co-Owners.

2. The failure of the Board of Directors or any apartment owner to enforce any covenant, restriction or other provision of the Condominium Act, the Declaration, these By-Laws or the regulations adopted pursuant thereto shall not constitute a waiver of the right to do so thereafter.

3. In addition to any other rights or remedies available to any apartment owner, any violation or threatened violation of any of the rules and By-Laws of the Council of Co-Owners may be

enjoined or prevented by suit for injunction by the apartment owner or the Board of Directors of the condominium regime.

ARTICLE VII

AMENDMENTS

1. These By-Laws may be amended by the Council of Co-Owners in a duly constituted special meeting for such purpose or in any regular meeting. No amendment shall take effect unless approved by owners representing at least fifty-one (51%) percent of the total votes in accordance with percentages established for undivided ownership in the general common elements by paragraph 7 of the Enabling Declaration. Any amendment materially affecting a first mortgagee shall not take effect until approved by eighty (80%) percent of all mortgagees, or beneficiaries of mortgages, or deeds of trust covering mortgaged apartment units in the apartment project.

ARTICLE VIII

MORTGAGEES

1. An owner who mortgages his unit shall notify the Council of Co-Owners through the Agent, if any, or the Council of Co-Owners, giving the name and address of his mortgagee; and the Council of Co-Owners shall maintain such information in a book kept for that specific purpose.

2. The Council of Co-Owners shall at the request of a mortgagee of a unit report any unpaid assessments due from the owner of such unit or any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Council of Co-Owners.

3. All mortgagees, or beneficiaries of mortgages, or deeds of trust covering individual apartment units in said project shall have the right to inspect the books and records of the condominium project at convenient hours on working days that shall be set and announced for general knowledge and, further,

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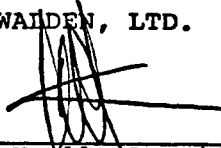
shall receive an audited financial statement of the affairs of the condominium project on an annual basis.

ARTICLE IX
COMPLIANCE

These By-Laws are set forth to comply with the requirements of the Texas Condominium Act, Vernon's Annotated Civil Statutes of Texas, Article 1301a. In case these By-Laws conflict with the provisions of said Act, it is hereby agreed and accepted that the provisions of the Act will govern.

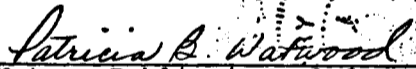
DATED AND EXECUTED by the undersigned "Developer" this the 24th day of June, 1983.

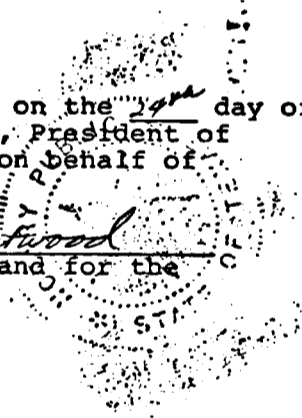
THE COVE AT WALDEN, LTD.

By 
C. Whitney Knoll, President of The Cove at Walden, Inc., Its General Partner, on behalf of said corporation

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on the 24th day of June, 1983 by C. Whitney Knoll, President of The Cove at Walden, Inc., Its General Partner, on behalf of said corporation.


Notary Public in and for the State of Texas

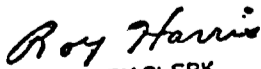


STATE OF TEXAS
COUNTY OF MONTGOMERY
I hereby certify that this instrument was filed on File Number 211-01-2473 on the date and at the time stamped herein by me, and was duly RECORDED in the official Public Records of Real Property of Montgomery County, Texas.

JUN 28 1983




COUNTY CLERK,
MONTGOMERY COUNTY, TEXAS

FILED FOR RECORD
1983 JUN 28 AM 11:18

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS