DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

A PORTION OF PHASE IIa OF THE WHARF AT CLEAR LAKE
(THE WHARF AT CLEAR LAKE LIVE-ABOARD MARINA)

THE STATE OF TEXAS

COUNTY OF GALVESTON

THIS DECLARATION is made on the date hereinafter set forth by LANDMARK DEVELOPERS,
INC., a corporation, organized and existing under the laws of the State of Texas,
Harris County, Texas, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain property situated in the County of
Galveston, State of Texas, which property is more particularly described as follows,
to-wit:

TRACT I All that certain 1.6694 acre tract or parcel of land out of
Phase IIA of The Wharf at Clear Lake, a Subdivision in Galveston County,
Texas, as shown on Page 1 of 2 Pages as recorded in Volume 17, Pages 35
and 36 of the Map Records of Galveston County, Texas, said 1.6694 acre
tract out of Reserve "A" out of a replat of a replat of Phase
II of The Wharf at Clear Lake, as recorded in Volume 15, Page 160 of the
Map Records of Galveston County, Texas, being out of the M. Huldoon Two
League Grant, Abstract 78, Galveston County, Texas and being more
particularly described by metes and bounds on Exhibit "A" attached hereto
and made a part hereof for all purposes; and,

TRACT II All that certain 0.3485 acres of land out of a 1.3486 acre
tract and a 43,871 acre tract of land as described in Volume 409, Pages
91 and 92 of the Deed Records of Galveston County, Texas, said 1.3486
acre tract being part of Phase IIA of The Wharf at Clear Lake, as shown
on Page 2 of 2 pages, as recorded in Volume 17, Pages 35 and 36 of the
Map Records of Galveston County, Texas, located in the M. Huldoon Two
League Grant, Abstract 78, Galveston County, Texas, and being more
particularly described by metes and bounds on Exhibit "B" attached hereto
and made a part hereof for all purposes; and,

WHEREAS, Declarant desires to hold, sell, and convey said property subject to the
following covenants, restrictions, reservations, and easements, which are for the
purpose of establishing a uniform plan for the development, improvement and sale of
said property, and to insure the preservation of such uniform plan for the benefit of
both present and future owners of the boat slips within THE WHARF AT CLEAR LAKE
LIVE-ABOARD MARINA;

NOW, THEREFORE, Declarant hereby adopts the following conditions, covenants, and
restrictions which are for the purpose of enhancing and protecting the value,
desirability, and attractiveness of the property and which shall be applicable to the
property and shall run with the land and shall bind 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.

Title Data TX 192.168.50.15 GV 8225428.001
ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to THE WHARF AT CLEAR LAKE LIVE-ABOARD MARINA ASSOCIATION, INC., a Non-Profit Corporation incorporated under the laws of the State of Texas, its successors and assigns.

Section 2. "Subdivision Plat" shall mean and refer to the plat of Phase IIA of The Wharf at Clear Lake, recorded in Volume 17, Pages 35 and 36 of the Map Records of Galveston County, Texas.

Section 3. "The Property" or "The Properties" shall mean and refer to the two (2) tracts of land described in Exhibits "A" and "B", respectively, and described hereinafore as a portion of Phase IIA of The Wharf at Clear Lake (THE WHARF AT CLEAR LAKE LIVE-ABOARD MARINA) and any addition(s) as may hereafter be brought within the jurisdiction of the Association in accordance with the annexation provisions of this Declaration.

Section 4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to the surface estate in any Slip or tract of land which is part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. The term "Owner" shall also include any mortgagee or lienholder who acquires fee simple title to any Slip, through judicial or non-judicial foreclosure or by Deed in Lieu of foreclosure.

Section 5. "Common Properties" or "Common Area" shall mean and refer to all those areas of land within the Properties, except the 42 slips as defined on the Subdivision Plat, together with such other property or interest(s) in property as the Association may, at any time or from time to time, acquire by purchase, by lease 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.

Section 6. "Common Facilities" shall mean and refer to all existing and subsequently provided improvements upon or within the Common Properties and such additional improvements as shall be made available by lease or otherwise for the use and benefit of the owners, except those as may be expressly excluded herein. By way of illustration, Common Facilities may include, but not necessarily be limited to, the following: wharfs, finger-wharfs, pilings, structures for recreation, storage or protection of equipment; sidewalks; cat walks; common driveways; landscaping; any and
all sanitary sewer and storm sewer lines owned by the Association in connection with the Common Area; and any and all pipes, wires, conduits, meters and other such utility lines and equipment situated in the Common Area, and other similar and appurtenant improvements. References herein to "the Common Facilities (any Common Facility) in the Subdivision" shall mean and refer to Common Facilities as defined respectively in this Declaration.

Section 7. "Slip" shall mean and refer to each parcel of land designated and shown in the Subdivision Plat as a Slip and which shall be used for the berthing of a boat.

Section 8. "Boat" or "Vessel" shall mean and refer to a Live-Aboard as defined in Section 10.

Section 9. "Dock" shall mean and refer to a group of Slips as shown on the Subdivision Plat.

Section 10. "Wharf" shall mean and refer to a pier approximately seven feet (7') wide, constructed or to be constructed by Declarant, one between Docks 20 and 21 and another along the North side of Dock 22, both of which shall extend from the shoreline or another wharf to the end of the respective Docks farthest from said shoreline or Wharf.

Section 11. "Finger-Wharf" or "Finger" shall mean and refer to a wharf, extending from a Wharf to the end of a Slip, constructed or to be constructed by Declarant on every other boundary line between Slips.

Section 12. "Limited Common Areas" shall mean and refer to a part of the Common Area reserved for the exclusive use of the owner of a certain Slip such as the Assigned Parking Space which will be assigned by the Declarant to each of the Owners of the several Slips. At such time as a parking space is assigned to a Slip, such parking space shall be deemed appurtenant to such Slip and any transfer of title to the Slip shall be effective to transfer the appurtenant parking space. The finger-wharfs shall be limited to the exclusive use by the Owners, their guests and invitees of the Slips adjoining same.

Section 13. "Easements" shall mean and refer to the various utility or other easements of record, those shown on the Subdivision Plat and such other easements as are created or referred to in this Declaration.

Section 14. "The Declaration" shall mean and refer collectively to the covenants, conditions, restrictions, reservations, easements, liens and charges imposed by or expressed in this Declaration.
Section 15. "Board of Directors" and "Board" shall mean and refer to the duly elected Board of Directors of the Association.

Section 16. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 17. "Conveyance" shall mean and refer to a conveyance of a fee simple title to a Slip.

Section 18. "Live-Aboard" shall mean and refer to a fixed-hull boat designed with facilities and equipment intended for use in connection with occupancy and use as a residence by one person, by a single family, or by persons maintaining a common household. A "Live-Aboard" must be further designed, equipped and maintained with self-propulsion capability commensurate with the size of the boat. The term "Live-Aboard" shall specifically, but not by limitation, exclude barges, pontoon craft, inflatables and any boat designed for commercial performance and/or use.

Section 19. "Declarant" shall mean and refer to LANDMARK DEVELOPERS, INC., a corporation organized and existing under the laws of the State of Texas, its successors and assigns, if such successors or assigns should acquire more than one developed or undeveloped Slip from Declarant and if such successors or assigns are designated in writing by LANDMARK DEVELOPERS, INC., as a successor or assign of all or part of the rights of LANDMARK DEVELOPERS, INC. set forth in this Declaration.

ARTICLE II

THE HARBOUR AT CLEAR LAKE LIVE-ABOARD MARINA ASSOCIATION, INC.

Section 1. Duties and Powers. In addition to the duties and powers enumerated in its Articles of Incorporation and By-Laws, or elsewhere provided for herein, and without limiting the generality hereof, the Association shall also discharge those functions necessary to the general maintenance of the Properties. The Board of Directors of the Association shall be empowered to oversee the activities of the Association to such an extent as they may take whatever reasonable action they, in their sole discretion, deem necessary to provide for the upkeep and aesthetic appearance of the Properties for the common benefit of all the Members of the Association.

Section 2. Membership. Every person or entity who is a record Owner of any of the Properties which are subject to assessment by the Association shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest as security for the performance of an obligation. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of the land which is subject to assessment by the Association.
Section 3. Classes of Membership. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant and each shall be entitled to one vote for each Slip owned. When more than one person holds an interest in any Slip, all such persons shall be members. The vote of such Slip shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any one Slip.

Class B. Class B members shall be the Declarant herein, who shall be entitled to nine (9) votes for each Slip owned.

Class B membership shall cease and be converted to Class A membership on the happenings of either of the following two events, whichever occurs earlier:

(A) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
(B) The fifth anniversary date of this Declaration.

Section 4. Non-Profit Corporation. THE WHARF AT CLEAR LAKE LIVE-ABOARD MARINA ASSOCIATION, INC., a nonprofit corporation, has been organized, and all duties, obligations, benefits, liens, and rights hereunder in favor of the Association shall vest in said corporation.

Section 5. By-Laws. The Association may make whatever rules or by-laws it may choose to govern the organization, provided that same are not in conflict with the terms and provisions hereof.

Section 6. Members' Easements of Enjoyment. Subject to the provisions of Section 7 below, every Member shall have a common right and easement of enjoyment in the Common Properties, and such right and easement shall be appurtenant to and shall pass with the title to every Slip.

Section 7. Extent of Members' Easements. The rights and easements of enjoyment created hereby in favor of the Members shall be subject to the rights and easements now existing or hereafter created in favor of Declarant or others as referred to or provided for in this Declaration, and shall also be subject to the following provisions:

(a) The Association shall have the right to borrow money and with the assent of Members entitled to cast not less than fifty-one percent (51%) of the aggregate of the votes of both Classes of Members to mortgage the Common Properties.
(b) The Association shall have the right to take such steps as are reasonably necessary to protect the Common Properties against foreclosure of any such mortgage.

(c) The Association shall have the right to suspend the voting rights and the right of any Member to use of any recreational facilities owned or leased by the Association or facilities the use of which the Association has otherwise made available for any period during which any assessment or other amount owed by such Member to the Association remains unpaid.

(d) The Association shall have the right to establish reasonable rules and regulations governing the Members' use and enjoyment of the Common Properties, including Limited Common Areas, and to suspend the voting rights and the right of any Member to use of facilities owned or leased by the Association, or otherwise made available for the use and enjoyment of the members by the Association, for any period not to exceed sixty (60) days for each violation of such rules and regulations, which suspension periods may be cumulative and successive for several violations.

(e) The Association shall have the right to assess and collect the assessments provided for herein and to charge reasonable admission and other fees for the use of recreational facilities, if any, which are a part of the Common Properties or otherwise provided for the use and enjoyment of the Members.

(f) The right of resident owners or occupants of Slips within any area owned by the Association as of the date hereof and in the vicinity of the Property, to use the Common Properties, together with any facilities now or hereafter located thereon or made available by lease, Mutual Use Agreement or Reciprocal Use Agreement by the Association.

(g) The Association shall have the right to dedicate or convey all or any part of the Common Properties, or interests therein, to any public authority for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or conveyance shall be effective unless an instrument agreeing to such dedication or conveyance signed by Members entitled to cast not less than fifty-one percent (51%) of the aggregate of the votes of both Classes of Members has been recorded in the Office of the County Clerk of Galveston County, Texas.

(h) The Association shall have the right, but not the obligation, to contract on behalf of all Slips, for garbage and rubbish pickup, and to
Include the charges relating to same in the maintenance assessments provided in Article III of this Declaration.

ARTICLE III

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Slip owned within the Properties, hereby covenants, and each Owner of any Slip 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) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be secured by a continuing Vendor's Lien upon the property against which each such assessment is made. Each such assessment, together with interest, 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. The personal obligation for a delinquent assessment shall not pass to his successors in title unless expressly assumed by them, but shall be secured by the continuing lien referred to above.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to improve, beautify, maintain, manage and operate the Common Properties, including the Limited Common Area, and to pay taxes and insurance premiums thereon, and to promote the recreation, health, safety, convenience, and welfare of the Members, such benefits to include, by way of illustration but not limitation, providing patrol or watchman service, providing and maintaining street lighting, maintaining and repairing any pavement, maintaining and servicing mechanical and electrical fixtures appurtenant to the Common Properties, plumbing equipment and drainage systems, electrical, water, sanitary and storm sewer systems, felling for insect control, providing garbage and rubbish pickup, enforcing the provisions contained in this Declaration, exploying at the request of the Marina Control Committee one or more architects, engineers, attorneys, or other consultants, for the purpose of advising such Committee in carrying out its duties and authority as set forth in the opinion of the Board of Directors of the Association, for the maintenance and/or improvement of the Common Properties and Common Facilities or for the benefit of the Members, the foregoing uses and purposes being permissive and not mandatory, and the decisions of the Board of Directors of the Association being final as long as made in good faith and
In accordance with the By-Laws of the Association and governmental laws, rules and regulations.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Slip to an Owner, the maximum annual assessment shall be THREE HUNDRED SIXTY AND NO/100 ($360.00) DOLLARS for each Slip, which shall be due and payable as provided hereinafter.

(a) From and after January 1 of the year immediately following the conveyance of the first Slip to an Owner, the maximum annual assessment may be increased each year not more than 25% (such percentage increase may be cumulative from year to year) above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Slip to an Owner, the maximum annual assessment may be increased above 25% by the vote of written assent of at least 51% of the aggregate of the votes of both Classes of Members.

(c) The Board of Directors shall fix the annual assessment at an amount not in excess of the maximum.

The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident of consolidation in which the Association is authorized to participate under the Articles of Incorporation.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement of the Association, including necessary fixtures and personal property related thereto, provided that any such assessment shall have the vote or written assent of a majority of the aggregate of the votes of both Classes of Members.

Section 5. Notice and Quorum For Any Action Authorized Under Sections 3 and 4. Any action authorized under Sections 3 or 4 shall be taken at a meeting called for that purpose, written notice of which shall be sent to all members not less than three (3) days nor more than thirty (30) days in advance of the meeting. If the proposed action is favored by a majority of the votes cast at such meeting, but such vote is less than the requisite majority as authorized under Sections 3 or 4, members who were not present in person or by proxy may give their assent in writing, provided the same is obtained by the appropriate officers of the Association not later than 30 days from the date of such meeting.
Section 6. Uniform Rate of Assessment. Both annual and special assessments shall be fixed at a uniform rate for all Slips as follows:

(a) Slips owned by LANDMARK DEVELOPERS, INC. ........ none

(b) Slips owned by a Declarant other than LANDMARK DEVELOPERS, INC. if such declarant has been designated in writing in accordance with Article I, Section 19 hereof. ..................... none

(c) Slips sold to individual owners. ........ 100%

Section 7. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all Slips on the date (which shall be the first day of a month) fixed by the Board of Directors of the Association to be the date of commencement. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Slip and the due date thereof and shall give written notice of the annual assessment and the due date to every Owner subject thereto prior to such due date. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Slip have been paid.

Section 8. Effect of Non-Payment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Slip. Interest, costs and reasonable attorney’s fees incurred in any such action shall be added to the amount of such assessment or charge. Each such Owner, by his acceptance of a deed to a Slip, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including non-judicial foreclosure pursuant to Article 3810 of the Texas Revised Civil Statutes and such Owner hereby expressly grants to the Association a power of sale in connection with said lien. The lien provided for in this section shall be in favor of the Association and shall be for the benefit of all Slip owners. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Properties, Common Facilities or abandonment of his Slip.

Each Owner of each Slip to additionally secure and force the payment of the assessments and in consideration of the premises herein set forth, has granted, bargained and sold and by these presents does grant, bargain and sell, and such Owner
by accepting and recording the deed conveying such slip unto such owner does expressly ratify and confirm such grant, bargain and sale unto H. Wayne White as trustee, (hereafter called "Trustee") and to his successor in this trust (whether or not recited in such deed), such slip described in such deed to such owner. To have and to hold said slip unto said Trustee or his successor forever and further conveanting and agreeing to warrant and forever defend the slip aforesaid, and every part thereof, unto said Trustee or his successor, against every person whosoever lawfully claiming or to claim the same or any part thereof, in trust, for the security and enforcement of the payment of the above described assessments, and should such owner make default for thirty (30) days in the punctual payment of said assessment as each assessment shall become due and payable, or fail to comply with any of the terms, conditions, provisions or stipulations contained in this Declaration then, in any such case, it shall be the duty of the Trustee and of his successor or substitute as hereinafter provided, on the request of the Association to enforce this trust and after advertising the time, place and terms of sale of the above conveyed slip for at least twenty-one (21) days successively next before the day of sale, by posting up or causing to be posted up written or printed notice thereof at three public places in Galveston County, Texas, one of which shall be at the Galveston County Courthouse door, which notices may be posted by the Trustee acting or by any other person, to sell the same in accordance with such advertisement, at public auction, at the county courthouse door where such real estate is situated, on the first Tuesday in any month, between the hours of 10:00 o'clock A.M. and 4:00 o'clock P.M. to the highest bidder for cash and make due conveyance to the purchaser or purchasers, with general warranty, but subject to any prior and superior liens, binding said owner in default, and such owner's heirs and assigns; and out of the money arising from such sale, the Trustee acting shall pay, first, all expenses of the advertising, sale and conveyance, including a commission of 5% to himself; and then towards payment of the indebtedness arising from the assessments rendering the balance of said purchase money, if any, to the defaulting owner, such owner's heirs and assigns; and said sale shall forever be a perpetual bar against said defaulting owner, such owner's heirs and assigns. No foreclosure hereunder shall affect or impair any of the prior and superior liens above mentioned.

It is expressly agreed that the recitals in the conveyance to the purchaser at foreclosure sale shall be full evidence of the truth of the matters therein stated, and all prerequisites to said sale shall be presumed to have been performed, and such sale and conveyance shall be conclusive against the defaulting owner, such owner's heirs and assigns, whether such prerequisites shall have been performed or shall not have been
performed. In the case of absence, death, inability, refusal, resignation, or failure of the Trustee herein named to act, a successor and substitute may be named, constituted and appointed by the Association without other formality than an appointment and designation in writing and this conveyance shall vest in him as Trustee, the estate and title in all said Slips, and he shall thereupon hold, possess and execute all the title, rights, powers and duties herein conferred on said Trustee named, and his conveyance to the purchaser at foreclosure shall be equally valid and effective; and such right to appoint a successor or substitute Trustee shall exist as often as, and whenever from any of said causes, any Trustee, original or substitute cannot or will not act. The Association shall have the right to purchase at such sale being the highest bidder. The right of sale hereunder shall not be exhausted by want of any sale, but the Trustee or substitute Trustee may make other and successive sales and that the power of such sale herein contained shall survive each such successive sale as to amounts of assessments for Common Expenses accruing after the date of the sale and each successive sale.

Section 9. Subordination of the Lien to Mortgages. The Vendor's Lien securing payment of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages granted or created by the Owner of any Slip to secure the payment of monies advanced and used for the purpose of purchasing such Slip. Sale or transfer of any Slip pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Slip from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. Exempt Property. All properties dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Texas shall be exempt from the assessments created herein. However, no land or improvements devoted to Slip use shall be exempt from said assessments.

ARTICLE IV

MARINA CONTROL

Section 1. Tenure. The "Marina Control Committee" shall mean and refer to a three (3) member committee to be appointed by the Board of Directors which Committee Members need not be Members of the Association, and their successors. The persons serving on the initial Marina Control Committee as appointed, or their successors, shall serve until such time as all Slips subject to the jurisdiction of the Association are occupied with Live-Abords, at which time the Marina Control Committee shall resign.
and thereafter its duties shall be fulfilled and its powers exercised by the Board of Directors of the Association. In the event of the death or resignation of any person serving on the Marina Control Committee, the remaining person(s) serving on the Committee shall designate a successor, or successors, who shall have all of the authority and power of his or their predecessor(s). A majority of the Marina Control Committee may designate someone serving on the Committee to act for it. No person serving on the Committee shall be required to perform services pursuant to this Article IV. However, the Committee may employ one or more architects, engineers, attorneys, or other consultants to assist the Committee in carrying out its duties hereunder; and the Association shall pay such consultants for such services as they render to the Committee.

Section 2. Approvals of Slip Usage. No Live-Aboard, or other boat shall be placed or maintained within a Slip or upon the Properties unless and until the complete specifications of the vessel, including, but not limited to, make, model, length, width, equipment and facilities, together with a current photograph of the vessel, shall have been submitted to and approved in writing by the Marina Control Committee as being in compliance with this Declaration and as to harmony with prescribed rules and regulations. In the event the Marina Control Committee fails to approve or disapprove the vessel and specifications within thirty (30) working days after they have been submitted to it, approval thereof will not be required and the provisions of this Section 2 will be deemed to have been fully complied with; and without limitation of the powers herein granted, the Marina Control Committee shall have the right to specify a limited number of acceptable specifications that may be used in the establishment of minimum requirements for rules and regulations for the Properties. The Marina Control Committee shall have full power and authority to reject any vessel which specifications do not comply with the restrictions herein imposed or meet its minimum specification requirements or equipment and facility requirements or that might not be compatible, in its judgment, with the overall character and aesthetics of the Property.

Section 3. No Liability. Neither Declarant, the Association, Board of Directors, or the Marina Control Committee or the members thereof shall be liable in damages to anyone submitting specifications to them for approval, or to any Owner affected by these restrictions by reason of mistake in judgment, negligence, or noncompliance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such vessel and/or specifications. Every person who submits specifications to the Marina Control Committee for approval agrees, by submission of such specifications, that he will not bring any action or suit against Declarant, the
Association, Board of Directors, the Marina Control Committee, or any of the members
thereof to recover any such damage.

Section 4. Rules and Regulations. The Marina Control Committee may from time to
time, in its sole discretion, adopt, amend and repeal rules and regulations
interpreting and implementing the provisions hereof.

Section 5. Variances. Where circumstances require, the Marina Control Committee,
by the vote or written consent of a majority of the members thereof, may allow
reasonable variances as to any of the specifications provided for in this Declaration
and under the jurisdiction of such committee pursuant to this Article IV, on such terms
and conditions as it shall require; provided, however, that all such variances shall be
in keeping with the general plan for the development of the Property.

ARTICLE V
EASEMENTS

Section 1. General. Each Slip and the Property included in the Common Area shall
be subject to a blanket easement for the establishment and maintenance of the dock
facilities, so long as such dock facilities shall remain in existence.

Section 2. Utility, Emergency and Association. There is hereby created a blanket
easement upon, across, over and under all of said Property for ingress, egress,
institution, replacing, repairing and maintaining all utilities, including but not
limited to water, sewer, gas, telephone and electricity. By virtue of this easement,
it shall be expressly permissible for the providing electrical and/or telephone company
to erect and maintain the necessary equipment on said property and to affix and
maintain electrical and/or telephone wires, circuits and conduits on, above, across and
under the Property. An easement is further granted to all police, fire protection,
ambulance, garbage and trash collector personnel and delivery vehicles and all similar
persons to enter upon the Common Area in the performance of their duties. Further, an
easement is hereby granted to the Association, its agents, and to any management
company selected by the Association to enter on or to cross over the Common Area and
any Slip to perform the duties of maintenance and repair of the Slip or the Common Area
provided for herein. Notwithstanding anything to the contrary contained in this
paragraph, no sewers, electrical lines, water lines, or other utilities may be
installed or relocated on said Property except as initially programmed and approved by
the Declarant or thereafter approved by Declarant or the Association. Should any
utility furnishing a service covered by the general easement herein provided request a
specific easement by separate recordable document, Declarant shall have the right to
grant such easement of said Property without conflicting with the terms hereof. The
easements provided for in this Article shall in no way affect any other recorded
 easement on said premises.

Section 3. Universal Easement. Each Slip and its Owner within the Properties is
 hereby declared to have an easement, and the same is hereby granted to Declarant, over
 all adjoining Slips and Common Areas for the purpose of accommodating any encroachment
 due to engineering errors, errors in original construction, settlement or shifting of
 the wharfs or finger-wharfs, or any other cause. There shall be easements for the
 maintenance of said encroachment, settling or shifting; provided, however, that in no
 event shall an easement for encroachment be created in favor of an Owner or Owners if
 said encroachment occurred due to willful misconduct of said Owner or Owners. In the
 event a wharf or finger-wharf adjoining any Slip is partially or totally destroyed, and
 then repaired or rebuilt, the Owners of each Slip agree that minor encroachments over
 adjoining Slips shall be permitted and there shall be easements for the maintenance of
 said encroachments so long as they shall exist. Each of the easements hereinafore
 referred to shall be deemed to be established upon the recordation of this Declaration
 and shall be appurtenant to the Slip being serviced and shall pass with each conveyance
 of said Slip.

Section 4. Public Easement. There is hereby reserved to Declarant, its
 successors and assigns, an easement for public ingress and egress over any pedestrian
 pathways. This easement shall not imply any right of public use of the Common Area or
 Common Facilities thereon owned or made available by the Association.

Section 5. Utility Services.

(a) Electric Service. An electrical distribution system will be
 installed to serve each Slip in the Property. The Owner of each Slip shall,
 at his own cost, furnish, install, own and maintain (in accordance with the
 then current standards and specifications of the electric company) the
 connection apparatus for the Live-Aboard. For so long as service is
 maintained, the electric service to each Slip shall be uniform in character
 and exclusively of the type known as single phase, 120/220 volt, three wire,
 60 cycle, alternating current.

(b) Telephone Service. Telephone service shall be available to each
 Slip. Service between the telephone company's main lines and the Slips shall
 be provided by way of telephone cables as required by the Telephone Utility.
 Such cable system shall be owned and maintained by the Association, except to
 the extent that the installation, ownership and maintenance shall be required
 by and retained in the Telephone Utility.
(c) Water Service. Water service shall be provided to each Slip by way of a water distribution system owned by the Association and connected by means of master meters to other mains. The distribution system between the gate valve at such other main and the individual Slip shall be the property of the Association and shall be operated and maintained by the Association.

(d) Sanitary Sewer Service. Sanitary sewer service shall be provided by means of a sanitary sewer collection system owned by the Association, which sanitary sewer collection system shall be connected to other sanitary sewer systems for final treatment. A Sanitary Sewerumping Station will be constructed and located on and within the Common Area and shall include facilities for proper disposition of wastes and effluent from the conventional holding tanks of the Live-Aboards. In addition, a dumping station for incinerated wastes residue will be constructed or located within the Common Area to accommodate the proper disposition of wastes from Live-Aboards with incinerated sewer treatment facilities.

(e) Utilities. Sanitary sewer service and water are on master meters and the use thereof shall be part of the Common expense. Each Owner shall have a separate electric meter covering electrical service to his Slip and separate telephone service.

ARTICLE VI

UTILITY BILLS, GARBAGE COLLECTION, TAXES AND INSURANCE

Section 1. Obligation of the Owners. Owners utility bills, taxes and insurance shall be governed by the following:

(a) Each Owner shall directly pay at his own cost and expense for all electricity, telephone service, and other utilities if any, separately provided and used or consumed by him at his Slip.

(b) Each Owner shall directly render for taxation his own Slip and the boat occupying same and shall at his own cost and expense directly pay all taxes levied or assessed against or upon his Slip and his personal property therein or therein.

(c) Each Owner shall be responsible at his own cost and expense for his own property insurance on the boat and contents thereof, including decorations, furnishings, and personal property therein; and also for his personal liability not covered by liability insurance for all Owners which may be obtained by the Association as part of the common expense in connection with the Common Area.
Section 2. Obligation of the Association. The Association shall have the following responsibilities regarding utility bills, taxes and insurance:

(a) The Association shall pay as a common expense of all Owners, for all water, electricity and other utilities used in connection with the enjoyment and operation of the Common Area and the Common Facilities, or any part thereof.

(b) The Association shall render for taxation and, as part of the common expenses of all Owners, shall pay all taxes levied or assessed against or upon the Common Area and the improvements and the property appurtenant thereto.

(c) The Association shall have authority to obtain and continue in effect as a common expense of all Owners, a blanket property insurance policy or policies to insure the structures and facilities, (if any) in the Common Area and the contents thereof and the Association against the risks of loss or damage by fire and other hazards as are covered under standard extended coverage provisions, in such limits as the Association deems proper, and said insurance may include coverage against vandalism and such other coverage as the Association may deem desirable. The Association shall also have the authority to obtain comprehensive public liability insurance in such limits as it shall deem desirable, insuring the Association, its Board of Directors, agents and employees and each Owner (if coverage for Owners is available) from and against liability in connection with the Common Area.

(d) The Association shall have the right to contract for exclusive garbage and trash collection for the Properties.

(e) All costs, charges and premiums for all utility bills, garbage collection, taxes and any insurance to be paid by the Association as hereinabove provided shall be paid out of the maintenance fund as a common expense of all Owners and shall be a part of the maintenance assessment.

ARTICLE VII
MAINTENANCE AND REPAIRS

Section 1. By the Owners. It shall be the duty, responsibility and obligation of each Owner at his own cost and expense to care for, maintain and repair the exterior and interior of his boat and any utility connection and boat mooring facilities. The Association shall have no duty or obligation to any Owner in this regard.

Section 2. By the Association. The Association, as a common expense of all Owners, shall perpetually care for, maintain and keep in good repair the Common Area.
and Common Facilities and all parts thereof, including but not limited to, landscaped lawns, if any, parking areas, wharfs, finger-wharfs and all improvements and facilities owned by the Association. In addition, the Association, as a common expense of all Owners, shall pay any and all costs incurred in connection with any facilities which by lease, mutual use or reciprocal use agreement have been made available by the Association for the use and benefit of the Owners.

ARTICLE VIII

RESTRICTIONS OF USE

Section 1. Live-Abode Status. No Owner shall occupy of use his Slip, or permit the same or any part thereof to be occupied or used, for any purpose other than as a berth for a Live-Abode, the use and occupancy of which shall be a private residence for the Owner, his family, guests and/or tenants.

Section 2. Prohibition of Commercial Activities. In order to preserve the residential character of the Property, no business, trade or profession of any type whatsoever may be conducted, or allowed or authorized in any way to be conducted, directly or indirectly, in, on or about any Slip, the Common Area or Common Facilities, without the prior written consent of the Association. The Association shall possess the additional authority to promulgate rules and regulations governing the manner, method and to what degree any such use may be permitted, and further, shall have the power to revoke granting of such permitted use when, in the Association’s sole discretion, the use in question has become excessive and/or violates the residential character of the Property. Notwithstanding this provision, however, Declarant, his successors and assigns, shall have authority to use the Property for such display and sales offices, construction trailers and equipment as shall be necessary for the proper marketing of the Property during the construction and sale period.

Section 3. Use of the Common Area shall be in accordance with the terms of this Declaration and the rules and regulations as may be prescribed and established by the Association, from time to time. There shall be no destruction of the Common Area by an Owner. Except for the right of ingress and egress, to and from their respective Slips, the Owners of the Slips are hereby prohibited and restricted from using any of the wharfs or finger-wharfs, except as herein provided or as allowed by the Association’s Board of Directors. It is expressly covenanted and agreed that this paragraph is established for the mutual benefit of all Owners of Slips in the Property and is necessary for the protection of the Owners. All boats shall be moored within slips and no part of any boat, when so moored, shall be allowed to extend into the Common Area Channel or over any wharf or finger-wharf. Temporary mooring along side any wharf or
across any slip is expressly prohibited unless a qualified operator remains at the
controls of the boat. No boat repairs shall be permitted on any part of the Common
Area including, but not limited to, the wharfs or finger-wharfs. All boats in the
Common Area shall be operated in such manner as not to damage any of the Common Area or
Common Facilities or the property or person or any other owner. The attachment of
hoists, lifts, davits, lockers, cabinets or other structures to any of the wharfs or
finger-wharfs is prohibited. No storage or maintenance facilities of any kind, shall
be allowed or maintained overnight upon any portion of the wharfs or finger-wharfs and
any storage or maintenance facility, and supplies, temporarily allowed or maintained
thereon shall not interfere with the use of said wharfs and finger-wharfs by any other
Owner, their guests or invitees. No mobile home, trailer, camper, boat, or truck, or
similar equipment, shall be parked or stored permanently or semi-permanently on any
Limited Common Element, private street, right-of-way or driveway appurtenant to the
Property. Neither shall any Limited Common Area, private street, right-of-way, or
driveway which provides ingress and egress to the Property, be used for storage or
repair of campers, unused or inoperable vehicles, boats and/or trailers or any other
item which the Association, in its sole discretion, deems improper and inappropriate.

Section 4. Alteration of the Common Area. The Association shall have the right
to make or cause to be made such alterations or improvements to the Common Area the
conducting or construction of which alterations or improvements do not block the
Owner’s access to and from his Slip or to the Common Area unless, such Owner has been
given notice of such alterations or improvements before his Slip is blocked from the
Common Area. The cost of alterations or improvements shall be assessed as common
expense. However, when any alterations and improvements are, in the sole opinion and
discretion of the Association, exclusively or substantially exclusively for the benefit
of particular Owners or Owner of Slips or a Slip requesting the same, then the cost of
such alterations and improvements shall be assessed against and collected solely from
the Owner or Owners of a Slip or Slips exclusively or substantially exclusively
benefited thereby, the assessment to be levied in such proportion as may be determined
by the Association.

Section 5. No sign, advertisement, billboard or advertising structure or any kind
shall be displayed, placed or permitted to remain on the Property, without the prior
written consent of the Association; provided, however, Declarant, its agents and
assigns, may erect and maintain such signs and other advertising devices or structures
as it may deem necessary or proper in connection with the conduct of its operation for
the development, improvement, and sale of the Property. The Marina Control Committee
shall establish rules and regulations concerning the approval or design and location of identifying signs for each Slip within the Property. The Association, acting by and through its Board of Directors, shall have the right to remove any sign, advertisement or billboard or structure which is displayed or placed in public view on any portion of the Property, including the boats berthed within the Property, in violation of this Section and in so doing shall not be subject to any liability for trespass or other tort in connection therewith or arising from such removal.

Section 6. No nuisances shall be allowed, in, on or about the Property, nor shall any use or practice be allowed which is a reasonable source of a nuisance to any Owner or which interferes with the peaceful and proper use of the Property, both the Slips and the Common Area and Facilities, by any Owner. No noxious or offensive trade or activity shall be conducted, whether for profit or not, within any Slip which is not directly related to the Live-Abroad residential status of the Property.

Section 7. No Owner shall use or permit the use of his Live-Abroad or any other portion of the Property to raise, breed or keep any animals, reptiles, fowl or any kind, or any livestock or poultry; provided, however, that (a) dogs, domestic cats, and other usual household pets may be kept by an Owner in his Live-Abroad if the purpose thereof is not commercial and their presents does not constitute a nuisance to other Owners, and (b) no Owner shall keep any pet which the Association, in its sole discretion, considers to be dangerous to or destructive to the quiet enjoyment of any portion of the Property by, other Owners, their families or guests, and (c) the number of domestic pets shall not exceed two (2). All pets which may be kept in compliance with this Section shall, at all times, be kept either within the confines of the Owner’s Live-Abroad or, if beyond such confines and still within the Property, on a leash or in a cage.

Section 8. Fishing or crabbing from wharfs or finger-wharfs is expressly prohibited. However, fishing or crabbing for personal consumption or sport by an Owner, family member, guests and tenants, shall be permitted only from the Owner's boat moored within a Slip.

Section 9. No Owner shall use or discharge or permit the use or discharge from his Live-Abroad or elsewhere on the Property any pistol, rifle, shotgun or any other fire arm, any bow and arrow, or any other device capable of killing or injuring.

Section 10. No Owner shall build or permit to be built any open fire in, on or about a Slip or elsewhere on the Property; provided, however, that this Section shall not be construed as precluding the use by any Owner of an interior fireplace, if any,
or of small and safe outdoor cooking facilities such as charcoal grills, but only within or on his boat.

Section 11. No oil drilling or development operations of any kind shall be permitted in, on or about the Property.

Section 12. All the Property shall be kept at all times in a sanitary, helpful and attractive condition. All rubbish, trash and garbage shall be kept in containers within the areas provided and designated by the Association for collection purposes. The cleaning of fish or crab in, on or about the Property, except within the enclosed cabin or galley of a Live-Abord, shall be expressly prohibited. No rubbish, trash or garbage shall be thrown or allowed to remain on any portion of the Common Area. The discharge of human wastes and effluent into or onto any portion of the Common Area shall be expressly prohibited. In the event that any Owner shall permit the accumulation of garbage, trash or rubbish of any kind in, on or about his boat or any other portion of the Property, the Association, or its agents, may without liability to the Owner or occupant, in trespass or otherwise, enter upon the boat, within the Slip and cause to be removed, such garbage, trash or rubbish or do any other thing necessary to secure compliance with these Restrictions, so as to place the Slip and the boat in a neat, attractive, healthful and sanitary condition, and may charge the Owner or occupant of such Lot for the cost of such work. The Owner or occupant, as the case may be, agrees by the purchase or occupation of a Slip to pay such statement immediately upon receipt thereof. To secure the payment of these charges in the event of non-payment by the Owner, a vendor's lien is herein and hereby retained against the above described property in favor of the Association but inferior to purchase money liens or mortgages. Such vendor's lien shall be applicable and effective whether mentioned specifically in each deed or conveyance by the Declarant or not.

Section 13. No electronic antenna or device of any type other than an antenna for receiving normal television signals and/or FM signals shall be erected, constructed, placed or permitted to remain on any Slip or within the boat occupying same without the prior written approval of the Marina Control Committee.

Section 14. During reasonable hours and after reasonable notice, the Association shall have the right to enter upon and inspect the Property or any portion thereof, including the Slips and the boats occupying same, for the purpose of ascertaining whether or not the provisions of this Declaration are being complied with and shall not be deemed guilty of trespass by reasons thereof. Whenever it is necessary to enter onto the Property for the purpose of performing any maintenance, alteration or repair to any portion of the Common Area, the Owner of each Lot shall permit the Association's
guly authorized agent or agents to enter the Slip, for such purpose, provided such entry shall be made at reasonable times and with reasonable notice.

Section 15. No sewage treatment system nor water wells shall be permitted in, on or about any Slip. Each Owner shall see to the proper collection of sewage within the holding facilities and equipment of his Live-Abord. The abuse of the approved holding capacity and specifications of any Owner's boat is expressly prohibited.

Section 16. The exterior of each Live-Abord shall at all times be kept and maintained in good condition. If, in the opinion of the Association, the exterior of a Live-Abord is allowed to deteriorate or otherwise reach a state of disrepair so that same has become, in the judgment of the Association, unsightly or otherwise a detriment to the Property, the Association may give written notice to such Owner specifying the nature of the deterioration or disrepair. If, within thirty (30) days after the giving of such notice, the Owner has not remedied the situation to the complete satisfaction of the Association, the Association, shall thereafter be entitled (but shall not be obligated) without further notice to or consent from such Owner proceed to have such repair or maintenance work done for the account of and payment by the Owner, and the Owner shall pay upon demand the Association's cost, together with interest at the rate of 10% per annum until such payment is made, and reasonable attorney's fees if referred to any attorney of collection. To secure the payment of such charges in the event of non-payment by the Owner, a vendor's lien is herein and hereby retained against the Slip but inferior to purchase money liens or mortgages. Such vendor's lien shall be applicable and effective whether mentioned specifically in each deed and conveyance by Declarant or not.

Section 17. Nothing shall be done or kept in, on or about any Slip or Live-Abord or within the Property which will increase the rate of insurance on the Common Area, without the prior written consent of the Association. No Owner shall permit anything to be done or kept in, on or about the Common Area which will result in the cancellation of insurance on any part of the Common Area, or which would be in violation of any law. No immoral, improper, offensive or unlawful use shall be made of any Slip, including Owner's property located therein, or of the Common Area or any part thereof, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction over the Property shall be observed.

Section 18. Notwithstanding the foregoing provisions of this Article VIII, Declarant and its permittees shall have the exclusive right to erect, place, maintain in, on or about the respective Slips and the Property such facilities (including but
not limited to, offices, storage areas, flags and signs) as in Declarant's sole discretion may be necessary or convenient to improve and/or sell Slips in the Property.

Section 19. An Owner may lease his Slip for use to berth a Live-Aboard and/or his Live-Aboard for occupation as a residence provided that such lease (a) is in writing, (b) is expressly subject to all the terms, provisions and conditions set forth herein and the Articles of Incorporation and By-Laws of the Association, as amended from time to time, (c) provides that failure of the Lessee to comply with the terms, provisions and conditions set forth herein or in the Articles of Incorporation or By-Laws of the Association, as amended from time to time, shall be a default under such lease and (d) a copy of the executed lease along with the names and addresses of the Lessees shall be filed with the Association for maintenance of their records at least ten (10) days prior to the effective date of said lease. Any Live-Aboard to be berthed in a Slip pursuant to a written lease shall be subject to Marina Control Committee approval in accordance with this Declaration.

Section 20. Non-discrimination. No action shall at any time be taken by the Association which in any manner would discriminate against any Owner or Owners in favor of other Owners.

ARTICLE IX

ANNEXATION, MERGER OR CONSOLIDATION

Section 1. Annexation. Declarant hereby declares that it contemplates that at a future time or times, the project may (but shall not be required to) be expanded by adding thereto additional parcels of land, which annexation and addition may be accomplished within five (5) years from the date of recordation of this Declaration, without the assent of the Association or its members or their mortgagees. The provisions of this Article IX shall become effective upon, but not before the recording in the office of the County Clerk of Galveston County, Texas, within five (5) years from the date of recordation of this Declaration, a certificate signed and acknowledged by Declarant and the owners of such additional property, if other than Declarant, which certificate describes the real property which then constitutes the project, refers to this Declaration, and declares that it is desired and intended that the provisions of this Article IX shall become effective, and therefore, that this Declaration shall apply to and affect the property described in the certificate. The certificates so recorded shall also specify the number of Slips which are being added and annexed to the project by reason of the recordation of the certificate. Declarant may cause to be recorded as many separate certificates as may be desired by Declarant, from time to time. Declarant further reserves the right, at any time and from time to time, without
requesting or receiving the assent or consent of the then Owners or their mortgagees of any portion of the real property with which this Declaration is concerned, to resubdivide, amend the subdivision map, modify, alter or otherwise change the legal or other status or configuration of the property to be annexed, to grant easements, and otherwise to take such actions as may be deemed necessary by Declarant to satisfactorily expand the project. Each owner of a Slip in the project appoints Declarant as his attorney-in-fact for the purpose of effecting the foregoing, and the power herein granted to Declarant shall be and is a power coupled with an interest. Upon the recordation of such certificate(s) in compliance with the provisions of this Article IX, this Declaration shall further apply to and affect all of the real property described above and all of the property described in any such certificate(s) and the project, all of the Slips in the project (as so expanded and annexed), and their then future owners, with the same effect as if the property described in the certificate(s) were originally subject to the provisions of this Declaration. Thereupon, the powers and responsibilities of the Board of Directors of the Association created and established pursuant to the provisions of the By-Laws shall be co-extensive with regard to all property included within the project (as expanded), and the Board of Directors shall, pursuant to the provisions of the Declaration, constitute the Board of Directors for the project (as expanded), and the rights and obligations of all the Slip owners of the Slips in the project shall be the same and identical to the rights and obligations of the Slip owners prior to the recordation of the certificate(s). The Board of Directors shall thereupon continue to maintain one maintenance fund for the collection and disbursement of monies as required and permitted hereby for the project, and in all respects and meanings, the project (as expanded) shall be deemed to be a single project for the purposes and in accordance with the provisions of this Declaration.

Section 2. Consolidation and Merger. The Declarant, within five (5) years of the date of recordation of this Declaration with the consent of the Board of Directors of the Association may effect a merger or consolidation of the Association with another association as provided in the Articles of Incorporation and applicable Texas law. Thereafter any merger or consolidation shall have the assent of fifty-one percent (51%) of the aggregate of the votes of both classes of members. Upon a merger or consolidation of the Association with another association, its Properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the Properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The
surviving or consolidated association shall administer the covenants and restrictions established by this Declaration within the Property together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration within the Property.

ARTICLE X

RECIPROCAL USE AGREEMENT

The Common Area included within the Properties are subject to Reciprocal Use Agreements and Reciprocal Access Easements which documents permit the use of portions of the Common Area by Owners of property of other projects for ingress and egress into and to the adjoining projects. Reference is made to said Agreements for a more particular description of the rights and obligations contained therein, and said rights and obligations are hereby incorporated by reference for all purposes.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Enforcement. The Association or any Owner shall have the right to enforce, by any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens or charges now or hereafter imposed by the provisions of this Declaration. All expenses of the Association or its authorized representative in connection with any such actions or proceedings shall be part of the Common Expenses. The Association or its authorized representatives shall be further empowered and authorized to correct and secure any matter in default and to do whatever may be necessary for such purposes and all expense in connection therewith shall be charged to and assessed against the defaulting Owner and shall be secured in the same manner as assessments for common expenses. The Owner or Owners of each Slip shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family or his or their guests, employees, agents, or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Nothing herein contained, however, shall be construed so as to constitute a waiver by insurance companies of rights of subrogation. Failure by the Association or by any Owner to enforce any restrictions, conditions, covenants, reservations, liens or charges herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions shall in no way affect any other provisions, which shall remain in full force and effect.
Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by the Owners of not less than ninety percent (90%) of the Slips within the Property, and thereafter by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Slips within the Property. Any amendment must be recorded in the County Records of Galveston County, Texas.

Section 4. Amendments by Declarant. The Declarant shall have and reserves the right at any time and from time to time, without the joinder or consent of any other party, to amend this Declaration by an instrument in writing duly signed, acknowledged, and filed for record for the purpose of correcting any typographical or grammatical error, ambiguity or inconsistency appearing herein, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by the Declaration, and shall not impair or affect the vested property or other rights of any Owner or his mortgagee.

Section 5. Books and Records. The books and records of the Association shall, during reasonable business hours, be subject to reasonable inspection by any Member. The Board of Directors may, by resolution, establish rules and regulations governing the frequency of inspection and other matters to the end that inspection of the books and records by any Member or Members will not become burdensome to nor constitute harassment of the Association. The Declaration, the Articles of Incorporation and the By-laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

Section 6. Rights of Mortgagors, Trustees or Lienholders. No violations of any of these restrictions, covenants or conditions shall affect or impair the rights of any Mortgagor, Trustee or Lienholder under any mortgage or deed of trust, or the rights of any assignee of any Mortgagor, Trustee or Lienholder under any such mortgage or deed of trust.

Section 7. Gender and Grammar. The singular wherever used herein shall be construed to mean or include the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations (or other entities) or individuals, male or female, shall in all cases be assumed as though in each case fully expressed.
Section 8. Titles. The titles of this Declaration and of Articles and Sections contained herein are for convenience only and shall not be used to construe, interpret, or limit the meaning of any terms or provisions contained in this Declaration.

Section 9. Successors in Title. The terms and provisions of this Declaration shall apply to, be binding upon, and inure to the benefit of Declarant and the Association and their respective successors and assigns.

ARTICLE XII
APPROVAL OF LIENHOLDER

CONTINENTAL SAVINGS ASSOCIATION, as lienholder, of the hereinabove described land, has hereunto caused its name to be signed and its seal to be affixed, and the same to be done and attested by the signature of its duly authorized officers for the purpose of consenting to, ratifying, confirming and adopting this Declaration of Covenants, Conditions and Restrictions and for the purpose of subordinating their liens to the same.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 23 day of 1982.

LANDMARK DEVELOPERS, INC.

BY:  

LAURIE CLAYTON SMITH 
PRESENTER

LIENHOLDER:

CONTINENTAL SAVINGS ASSOCIATION

BY:  

JACK BENT
VICE-PRESIDENT

ATTEST:

ANDREW D. YOUNG 
SECRETARY
THE STATE OF TEXAS  
COUNTY OF HARRIS  

BEFORE ME, the undersigned authority on this day personally appeared  

[Signature]  
President of LANDMARK DEVELOPERS, INC., a  
Texas Corporation, organized and existing under the laws of the State of Texas, known  
to me to be the person whose name is subscribed to the foregoing instrument, and  
acknowledged to me that he executed the same for the purposes and consideration therein  
expressed, in the capacities therein stated and as the act and deed of said  
Corporation.  

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ___ day of ___, A. D.,  
1982.  

K. D. Austin  
Notary Public - State of Texas  

THE STATE OF TEXAS  
COUNTY OF HARRIS  

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on  
this day personally appeared  

[Signature]  
President, known to me  
to be the person whose name is subscribed to the foregoing instrument and acknowledged  
to me that the same was the act of the said CONTINENTAL SAVINGS ASSOCIATION, a  
corporation, and that he executed the same as the act of such corporation for the  
purposes and consideration therein expressed, and in the capacity therein stated.  

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ___ day of ___, A. D.,  
1982.  

K. D. Austin  
Notary Public - State of Texas
All that certain 1.6694 acre tract or parcel of land out of Phase Ia of The Wharf at Clear Lake, a Subdivision in Galveston County, Texas, as shown on Page 1 of 2 Pages as recorded in Volume 17, Pages 35 and 36 of the Map Records of Galveston County, Texas, said 1.6694 acre tract out of Reserve "M" out of a replat of a replat of Phase II of The Wharf at Clear Lake, as recorded in Volume 15, Page 168 of the Map Records of Galveston County, Texas, being out of the M. Muldoon Two League Grant, Abstract 78, Galveston County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a point for the intersection of the Northerly line of Crow's Nest Drive and the Westerly line of Davis Road (80.00 foot Right-of-Way);

THENCE North 49°30'00" West along said Westerly line of Davis Road, a call distance of 1355.69 feet to a point for corner, said point being the most Northerly corner of said replat of a replat of Phase II of The Wharf at Clear Lake and in the Southeasterly line of a 43.871 acre tract as described in Volume 409, Pages 91 and 92 of the Deed Records of Galveston County, Texas;

THENCE South 47°01'16" East along the Northwesterly line of said replat of a replat of Phase II of The Wharf at Clear Lake and the Southeasterly line of said 43.871 acre tract, at 278.00 feet passing the most Northerly Northeast corner of Unrestricted Reserve "M" out of said replat of a replat of Phase II of The Wharf at Clear Lake, at 054.23 feet passing the Northwest corner of said Unrestricted Reserve "M" and continuing in all a total distance of 941.54 feet to a point for corner, said point being the Northwest corner of said Reserve "M";

THENCE South 22°49'00" East along the Northeasternly line of said Reserve "M", a distance of 74.39 feet to the PLACE OF BEGINNING of the herein described tract of land;

THENCE South 22°49'00" East continuing along said Northeasternly line of Reserve "M", a distance of 246.21 feet to a point for corner, said point being the Southeast corner of said Reserve "M";

THENCE South 67°00'00" West along the Southeasterly line of said Reserve "M", a distance of 232.27 feet to a point for the most Southerly Southwest corner of said Reserve "M";

THENCE North 73°54'59" West along the Southwesterly line of said Reserve "M", a distance of 119.55 feet to a point for corner, said point being the most Westerly Southwest corner of said Reserve "M";

THENCE North 05°40'39" East along the Westerly line of said Reserve "M" and said replat of a replat of Phase II of The Wharf at Clear Lake, a distance of 211.49 feet to a point for corner, said point being the Northwest corner of said Reserve "M", and said replat of a replat of Phase II of The Wharf at Clear Lake;

THENCE North 57°45'59" East a distance of 20.52 feet to a point for corner;

THENCE North 67°00'00" East a distance of 204.17 feet to THE PLACE OF BEGINNING and containing within these calls 1.6694 acres.

Exhibit "M"
Of 0.3405 acres of land out of a 1.3486 acre tract and a 0.871 acre tract of land as described in Volume 409, Pages 91 and 92 of the Deed Records of Galveston County, Texas, said 1.3486 acre tract being part of Phase IIIa of the Wharf at Clear Lake, as shown on Page 2 of 2 pages, as recorded in Volume 17, Pages 35 and 36 of the Map Records of Galveston County, Texas, located in the N. Milhous 2 League Grant, Abstract 78, Galveston County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at the most Easterly corner of said 1.3486 acre tract and being the most Northerly corner of said Wharf at Clear Lake, according to a map or plat thereof recorded in Volume 15, Page 168 of the Map Records of Galveston County, Texas, and being located in the Northerly Right-Of-Way line of Davis Road (60.00 feet Right-Of-Way), said point also being in the Southeastern line of said 0.871 acre tract;

THENCE South 47°01'14" West along the Southeast line of said 0.871 acre tract and the Northwest line of said Wharf at Clear Lake, a distance of 270.00 feet to the PLACE OF BEGINNING of the herein described tract of land;

THENCE continuing South 47°01'14" West a distance of 133.00 feet to a point for corner;

THENCE North 42°0'46" West a distance of 20.00 feet to a point for corner;

THENCE South 47°01'14" West a distance of 40.23 feet to a point for corner;

THENCE North 42°0'46" West a distance of 50.60 feet to a point for corner;

THENCE North 47°01'14" East a distance of 81.00 feet to a point for corner;

THENCE North 42°0'46" West a distance of 63.50 feet to a point for corner;

THENCE North 47°01'14" East a distance of 81.00 feet to a point for corner;

THENCE South 42°0'46" East a distance of 85.00 feet to a point for corner;

THENCE North 47°01'14" East a distance of 13.23 feet to a point for corner;

THENCE South 42°0'46" East a distance of 42.00 feet to the PLACE OF BEGINNING of the herein described tract of land and containing within those calls 15,167 square feet or 0.3405 acres of land.

STATE OF TEXAS
COUNTY OF GALVESTON

I hereby certify that the instrument was filed at the date and time stamped below by me and that it is executed in the Official Public Records of Real Property of Galveston County, Texas.

AGA 30 1982

EXHIBIT "A"

FIXED FOR RECORD
AGA 30 1 82 PH 82

May 1982

COUNTY OF GALVESTON
Real Property Records

Title Data TX 192.168.50.15 GV 8225428.029
CERTIFICATE OF LEGALITY AND AUTHENTICITY
FOR MICROFILM RECORDS

OFFICIAL PUBLIC RECORDS OF REAL PROPERTY
DIVISION: REAL PROPERTY - RECORDS DEPARTMENT
GALVESTON COUNTY, TEXAS

I, MARY JANE CHRISTENSEN, COUNTY CLERK OF GALVESTON COUNTY, TEXAS, hereby certify that the public records now of record in the office of the County Clerk of Galveston County, Texas, are being microfilmed under and by virtue of the authority of an order passed by Commissioners' Court of Galveston County, Texas, on May 27, 1963, and recorded in Volume 31, Page 580 and 581, of the Minutes of said Court, said order having been passed under and by virtue of the provisions of Article 6574b, Revised Civil Statutes of Texas (1925), for the purpose of recording, preserving and protecting the same and for the purpose of reducing space required for filing, storing and for safekeeping of the same.

Further, it is hereby certified that, from and after January 5, 1981, Records filed in the office of the County Clerk of Galveston County, Texas, also, are being recorded on microfilm under and by virtue of Article 941(a), Vernon's Texas Civil Statutes (1971).

Further, it is hereby certified that the foregoing series of photographs in this roll of microfilm, between the Title Page Guide identifying the kind of record and this Certificate of Legality and Authenticity have been made in accordance with the above authority and are correct, legible and exact copies of the original records in my office, or of the original documents and instruments filed in my office for record, as follows:

OFFICIAL PUBLIC RECORDS OF REAL PROPERTY
DIVISION: REAL PROPERTY - RECORDS DEPARTMENT

Filmed On: September 1, 1982

File Number: 8225316
Starting With: 001-84-0219

Thru File Number: 8225428
Ending with: 001-84-0411

MARY JANE CHRISTENSEN, COUNTY CLERK
GALVESTON COUNTY, TEXAS

_______________________________
Walter J. McEvilly
Deputy

Title Data TX 192.168.50.15 CV 8225428.030
FILM TITLE PAGE FOR
OFFICIAL PUBLIC RECORDS OF REAL PROPERTY
DIVISION: REAL PROPERTY - RECORDS DEPARTMENT
GALVESTON COUNTY, TEXAS

"INSTRUMENTS AFFECTING REAL PROPERTY TITLE WHICH WERE FILMED
IN THE OFFICE OF THE COUNTY CLERK OF GALVESTON COUNTY, TEXAS,
ON 1 DAY, September 1980.
STARTING WITH FILE NUMBER 8235429.

MARY JANE CHRISTENSEN, COUNTY CLERK
GALVESTON COUNTY, TEXAS

[Signature]
Walter J. McEvilly, Deputy