

DMI INVESTMENT CORP., a Texas corporation, ("Declarant") does hereby place and impose the following restrictions, covenants, conditions and charges on the real property known as The Pointe, according to the plat thereof recorded in Volume 1, Page 148 of the Plat Records of Jasper County, Texas (hereinafter the "Property"), and does hereby further provide that all said restrictions, covenants, conditions and charges shall be covenants running with the land, that each contract or deed which may hereafter be executed with regard to any of the units in said area shall conclusively be deemed to have been executed, delivered and accepted subject hereto, and that all unit owners shall be bound by the terms and provisions hereof and that same shall be enforceable by Declarant, Rayburn Country Condominium Management Association, Rayburn Country Association, each unit owner, their heirs, successors or assigns in said condominium regime:

1. Specific Land Use

(a) No portion of the Property, hereinafter sometimes referred to as "condominium", "condominium regime", or "condominium component", shall be used other than for residential purposes. No business or profession shall be carried on or conducted upon any portion of said property; provided, that said property, or any portion thereof, may be leased or rented for residential use.

(b) No trailer, tent, shack or other temporary structure shall ever be erected on said property, except during periods of construction or remodeling, and then only with approval of the Environmental Control Committee hereinafter provided.

(c) Except as presently exist, or as may be approved by the Environmental Control Committee, no building, fence, wall, hedge or any other structure of any kind, type or character shall be located on any lot within the property.

(d) The landscaping of the outside area of each condominium unit shall be under the control and supervision of the Environmental Control Committee, and no changes or alterations in landscaping shall be made without approval of such Committee. Also, all draperies shall be lined with white material so that the outside appearance shall be uniform.

(e) An easement covering the entire area of each lot within this condominium component is hereby granted to Rayburn Country Condominium Management Association for purposes of landscaping, utilities, sprinkler, lighting and other uses connected therewith.

2. Architectural and Environmental Control

(a) A true copy of all plans, specifications and details of any proposed construction or work of any kind, both initial construction and additions, alterations and changes, as well as remodeling, renovation, or alterations and changes of any kind, on or to any of the condominium units and lots in this condominium component, to any exterior portion of any unit therein shall be filed with the Environmental Control Committee (the "Committee") heretofore appointed by the Rayburn Country Condominium Management Association. Such plans, specifications and details must be approved by said Committee prior to the commencement of any such construction, additions, alterations, remodeling, renovations or changes; provided, however, that in the event said Committee fails to approve or disapprove any such written plans or specifications submitted to it within thirty (30) days after the same have been submitted, approval shall be conclusively deemed to have been granted. A property owner shall bear all expense of construction, additions, alterations, remodeling, renovation, changes and maintenance.

(b) Subsequent to such approval, all work done pursuant to such plans and specifications shall conform in detail to such plans and specifications as approved by the Committee. The judgment of the Committee, in the exercise of its discretion, shall be final, conclusive and binding on the Rayburn Country Condominium Management Association and all condominium unit owners as to all matters over which the Committee shall be granted authority hereby.

(c) The Committee shall adopt the procedures to be followed by it in carrying out its functions hereunder and all such rules and regulations relevant thereto. Such procedures, rules and regulations shall be binding on all parties. Such procedures may be changed by the Committee from time to time with notice of such changes to be given to the Rayburn Country Condominium Management Association and condominium unit owners.

3. Firearms

The use or discharge of firearms on the condominium property is expressly prohibited.

4. Off-Street Parking

Sufficient parking space for owners and occupants of condominium units has been or will be provided on condominium property and all owners and occupants of condominium units shall refrain from parking vehicles in

other than assigned spaces or on streets adjacent to said condominium property. No campers, trailers or golf carts shall be parked on any portion of the condominium property or on any streets adjacent to condominium property.

5. Signs

No signs of any character shall be permitted on any unit or on any of the common elements in this condominium component with the following exceptions:

(a) A sign not larger than seventy-two (72) square inches setting forth the name of the owner or occupant of a living unit.

(b) A "For Rent" or "For Sale" sign not larger than 720 square inches, provided, however, that no such sign shall have any dimension of more than 36 inches and further provided that no such sign shall be placed on any of the common elements in said condominium.

6. Water and Sewage Charges

Rayburn Village Utility Company, a Texas corporation, maintains and operates a waterworks and a sanitary sewer system and provides water and sewer services in portions of Rayburn Country, which includes this condominium property. It is expressly agreed by each unit owner, as a part of the consideration for the purchase thereof, that water and sewer services will be provided in this condominium unit by the said Rayburn Village Utility Co. It is further agreed that such services will be available to unit owners upon application to the said company for such services and upon compliance with its rules, regulations, requirements and charges. The charge for water and sewer services combined shall be fixed by Rayburn Village Utility Co., subject to approval by the Texas Public Utilities Commission.

7. Rayburn Country Association

There has heretofore been created the Rayburn Country Association, a non-profit corporation organized and existing under the laws of the State of Texas, hereinafter called "Association", the general purpose of which is to provide necessary services such as street lighting, recreational facilities and general upkeep, maintenance and beautification throughout parts of Rayburn Country. One of the primary responsibilities of the Association is to provide for the upkeep, regulation and maintenance of the Rayburn Country Recreation Center and Sports Core which was built by Rayburn Country Development Corporation and sold to the Association, the Association paying hereto-

fore by giving its long term Note to Rayburn Country Development Corporation, which was assigned to Rayburn Country, Inc.

(a) Facilities. A swimming pool, bathhouse, snack bar, tennis courts, picnic tables, a sports core center and other facilities are available in the Recreation Center and their use is limited to members and guests of members when accompanied by a member. Membership is limited to certain authorized non-property owner members and certain property owners, including owners in this condominium component; all such property owners must be members of the Association.

(b) Right of Use. All unit owners in this condominium component shall have a right and easement of enjoyment in and to the Recreation Center, Sports Core and all other facilities, which easement shall be appurtenant to and pass with the title to each unit, subject, however, to the terms and provisions of that certain agreement between Rayburn Country Development Corporation and Rayburn Country Association, as recorded in Volume 227, Page 430 of the Deed Records of Jasper County, Texas.

(c) Amortization Charge. Until such time as the said Note is paid in full, each unit in this condominium component, as well as each lot in any section heretofore or hereafter formed in Rayburn Country, Inc. or DMI Investment Corp., or their successors in title, (the "Developer") by a recorded instrument and declared by Developer to be enforceable by the said Association, shall be subject to an annual Recreation Center amortization charge of fifty dollars (\$50.00) per year to be paid to the Rayburn Country Association and applied by it solely to the retirement of the Recreation Center Agreement hereinabove referred to, and any other capital obligations of the Association.

(d) Amortization Fund. Such annual amortization charge shall be paid annually in advance on the first day of April of each year, prorated as of the date of purchase of a condominium unit. Such amortization charge shall remain in effect only so long as there is an unpaid balance of principal or interest owing on said Note. If the last charge collected hereunder, and under the terms of restrictions pertaining to other properties in Rayburn Country subject to such charge, results in a balance in the Rayburn Country Association Amortization Fund over and above that required to make the final payment of the said Note, such excess balance shall be transferred to the Rayburn Country Association Maintenance Fund.

(e) Recreation Maintenance Charge. Each living unit in this condominium component, as well as each lot in the various sections or components heretofore or hereafter formed in Rayburn Country, as to which restrictions are imposed by Developer by recorded instrument and are declared by Developer to be enforceable by the said Rayburn Country Association, shall be subject to an annual recreation maintenance charge to be assessed by the Association as hereinafter provided for the purpose of creating a fund to be known as the Rayburn Country Association Maintenance Fund which shall be paid to the Association and applied by it solely to the operation, maintenance, and improvement of the Recreation Center and such other common areas or facilities as shall be owned by the Association. Such charges shall be paid annually in advance on the first day of April of each year, prorated as of the date of purchase of a condominium unit.

The amount of such charge shall be determined by the Board of Directors of the Association and may be adjusted from year to year by said Board as it may in its sole discretion deem advisable; but in no event shall such charge exceed fifty dollars (\$50.00) per unit per year unless such charge is approved by a vote of a majority of the votes entitled to be cast in the Rayburn Country Association, its successors or assigns, by owners of lots and units in all of the sections or condominium components in Rayburn Country heretofore or hereafter created, as to which sections or condominium components, restrictions and covenants are imposed by Developer by a recorded instrument and declared by Developer to be enforceable by the Association; provided, however, that the Recreation Maintenance charge applicable to the condominium units shall be the same as that applicable to the lots in those sections of Rayburn Country whose restrictions are enforceable by Rayburn Country Association.

(f) Subdivision Maintenance Charge. Each unit in this condominium component is hereby subjected to an annual subdivision maintenance charge to be assessed as hereinafter provided. Such charge is to be paid into a fund known as the Rayburn Country Association Subdivision Maintenance Fund. Such charge shall be payable annually in advance on the first day of April of each year prorated as of the date of purchase of a living unit. The amount of such charge will be determined by the Board of Directors of

the Association and may be adjusted from year to year by the said Board of Directors as it may at its sole discretion deem advisable. In no event shall such annual charge be less than fifty dollars (\$50.00) per unit unless any such charge is approved by a vote of a majority of the votes entitled to be cast in the Association by the owners of property in Rayburn Country who are members of Rayburn Country Association; provided, however, that the subdivision maintenance charge applicable to the units shall be the same as that applicable to the lots in those sections of Rayburn Country whose restrictions are enforceable by Rayburn Country Association.

The maintenance charge levied by the Association on the condominium units shall be paid to the Association and held by it in trust and used for the benefit of all the owners of property, the restrictions as to which are enforceable by Rayburn Country Association, and such sum may be expended by the Association for any purposes which in its judgment will be most effective in improving and maintaining such property in Rayburn Country and condominium components including, but not by way of limitation, lighting, improving and maintaining the streets and roads, constructing sidewalks, collecting and disposing of garbage or other refuse, employing policemen and watchmen, caring for vacant lots and trees thereon, fogging or spraying for control of mosquitos and other insects and all other things necessary or desirable which in the opinion of the Association will benefit the owners of occupants of property, the restrictions as to which are enforceable by Rayburn Country Association. It is expressly understood that the judgment of the Association in the expenditure of said funds shall be final, so long as such judgment is exercised in good faith.

Such subdivision maintenance charges shall remain in effect so long as these restrictions are in force unless terminated sooner by a vote of a majority of the members of Rayburn Country Association.

(g) Declarant shall be exempt from the payment of said amortization charge, recreation maintenance charge and subdivision maintenance charge for all unsold and unimproved lots in the Villas.

(h) There is hereby granted to Rayburn Country Association a lien upon each living unit in the Villas to secure each of the above referred to charges hereby levied against condominium units in favor of the Association; that is, (1) the Recreation Center amortization charge, (2) the Recreation

Center maintenance charge, and (3) the subdivision maintenance charge, the order of priority of such liens to be the same as the order in which the respective charges are listed in this sentence, all of such liens to be junior and subordinate, however, to any purchase money lien reserved or granted in connection with a sale of a condominium unit in this condominium component. Said subordinate liens shall be expressly reserved and assigned to the Association as Vendor's Liens in the deeds from Declarant to the purchasers of each such condominium unit.

(i) Declarant, Rayburn Country Association, Rayburn Country Condominium Management Association, and any owner of any other lots or units subject to these restrictions, and all their successors and assigns may require the observance of these conditions, restrictions and charges by the prosecution of any proceeding at law or in equity against any person, firm or corporation violating, or attempting to violate same, to require removal of any such violation or to enjoin the attempted violation and shall also be entitled to sue for damages resulting from such violation.

(j) The restrictions, conditions and charges herein set forth shall run with the land, shall be binding upon Declarant, its successors and assigns, and all persons or parties claiming under it so long as this condominium component shall remain in existence as a condominium component.

8. Rayburn Country Condominium Management Association

In addition to the Rayburn Country Association, which provides services throughout Rayburn Country, there is in existence or will be created, the Rayburn Country Condominium Management Association (the "Condominium Association"), a non-profit corporation organized and existing under the laws of the State of Texas, the purpose of which is to provide necessary services solely related to a particular condominium component. The services to be rendered pertain to insurance on the condominium units, maintenance, repair and replacement of amenities, roads, walkways, utility easements, common areas, beautification and landscaping, collection of assessments and charges, and any other common services for the benefit of all the unit owners within the condominium component.

(a) Condominium Maintenance Charge. Each unit within the condominium component is hereby subjected to a monthly maintenance charge to be assessed as hereinafter provided. Such charge shall be paid into a fund known as the

The Pointe Maintenance Fund and is due and payable on or before the first day of each month. The amount of such charge will be determined by the Managing Agent or the Board of Managers of the Condominium Association and may be adjusted from time to time by such parties as it may at its sole discretion deem advisable. In no event shall such monthly charge be less than fifty dollars (\$50.00) per unit unless such charge is changed by a vote of a majority of the unit owners within the condominium component.

(b) The maintenance charge shall be held by the Condominium Association in trust and used for the benefit of all the unit owners within the condominium component.

(c) There is hereby granted to Rayburn Country Condominium Management Association a lien upon each unit in The Pointe to secure the above referred to charges hereby levied against units in favor of the Association, such lien to be junior and subordinate, however, to any purchase money lien reserved or granted on such unit, and to any lien of Rayburn Country Association. Said subordinate lien shall be expressly reserved and assigned to the Condominium Association as a Vendor's Lien in the deeds from Declarant to the purchasers of each such condominium unit.

(d) Declarant, Rayburn Country Association, Rayburn Country Condominium Management Association, and any owner of any of the lots or units subject to these restrictions and any of their successors or assigns may require the observance of these conditions, restrictions and charges by the prosecution of any proceedings at law or in equity against any person, firm or corporation violating, or attempting to violate same, to require removal for any such violation or to enjoin the attempted violation and shall also be entitled to sue for damages resulting from such violation.

(e) The restrictions, conditions and charges herein set forth shall run with the land, shall be binding upon Declarant, its successors and assigns, and all persons or parties claiming under it so long as this condominium regime shall remain in existence as a condominium regime.

9. Membership and Voting

The owners of the living units in this condominium component shall be members of the Rayburn Country Association and the Rayburn Country Condominium Management Association; each unit herein having one vote in said Associations.

10. Insurance

(a) The Condominium Association shall obtain and maintain at all times fire insurance with extended coverage and vandalism and malicious mischief endorsements, in an amount equal to the total replacement value of all of the condominium units and all amenities, the premiums for which, however, shall be billed by the Condominium Association to the condominium unit owner. Such policies of insurance shall contain the standard replacement costs endorsement insuring the rise in the cost of replacement, subsequent to the issuance or renewal of the policy; provided, however, that such replacement costs endorsement can be procured from the insurer. The Condominium Association shall also obtain and maintain at all times casualty and general liability insurance with a combined single limit in an amount not less than five hundred thousand dollars (\$500,000), the premiums for which shall be billed by the Condominium Association to the condominium unit owner on a pro-rata basis. The Condominium Association may, with the approval of the owners of a majority of the condominium units, obtain and maintain insurance covering any other risks customarily covered with respect to condominium buildings, fixtures, equipment and other personal property.

(b) The insurance policies shall be carried in blanket policy form naming the Condominium Association the insured, and shall identify the interest of each condominium unit owner and shall provide for a standard, non-contributory mortgagee clause in favor of each first mortgagee. Such policies shall also provide that they cannot be cancelled by the insurer until after thirty (30) days prior written notice to the Association and to each owner and each first mortgagee. All such policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular owner guilty of a breach of warranty, act, omission, negligence or non-compliance of any provision of such policy, including payment of the insurance premium applicable to that owner's interest, or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy, but the insurance under such policy, as to the interests of all other insured owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect. Such policy shall contain

waivers of subrogation and waivers of any defense based on co-insurance.

(c) Determination of maximum replacement value of all condominium units and amenities (for insurance purposes) shall be made immediately prior to the expiration date of the policy or policies insuring such replacement. Such determination shall be made by a special agent of the insurer who shall submit a written appraisal to the Condominium Association. The Condominium Association may, if it so chooses, obtain a written appraisal of replacement value from a competent appraiser of its own choice. Copies of such written appraisal or appraisals shall be furnished forthwith to each mortgagee of the condominium and to each owner.

(d) Nothing herein shall be construed so as to limit in any way an owner's right to secure any additional insurance coverage he deems necessary, at his own expense.

11. Declaration as to Condominium Covenants and Restrictions

Declarant, for itself, its successors and assigns, does hereby adopt, as conditions, restrictions, covenants and limitations on the Property, the Declaration of Rayburn Country, Inc. and DMI Investment Corp. as to Condominium Covenants and Restrictions at Rayburn Country, Jasper County, Texas, (the "Declaration") as recorded in Volume 325 at Page 133 in the public records of Jasper County, Texas.

12. Notices

All notices, demands or other notices required by these Restrictions to be served upon a condominium unit owner shall be sent by certified mail, postage prepaid, addressed to such owner at the mailing address specified by the owner in writing to the Condominium Association. All notices, demands or other notices required to be served upon the Managing Agent, or the Board of Managers of the Condominium Association, shall be sent by certified mail, postage prepaid, to the Registered Agent of the Condominium Association as stipulated in the By-Laws of the Condominium Association, or to such person and address as required by the Condominium Association upon written notice to such owner.

13. Amendment or Revocation of these Restrictions

These Restrictions shall not be revoked nor shall any of the provisions herein be amended until Fifteen (15) years from the date hereof, unless seventy-five percent (75%) of the owners of condominium units, (including Proxy Owner-

ship held by Declarant) consent and agree to such revocation or amendment by instrument duly recorded, proir thereto.

14. Condominium Act

The provisions of these Restrictions shall be in addition and supplemental to the Condominium Act of the State of Texas and to all other applicable provisions of law.

15. Partial Invalidity

If any part of these Restrictions is held to be invalid, such invalidity shall not affect the remainder of the Restrictions.

16. Proxy Ownership

A condominium unit owner, by proxy instrument, may assign his rights of ownership in such unit to Declarant, for purposes of deciding any issue to come before the Association or the Condominium Association, as for any issue raised pursuant of the Declaration or these Restrictions.

17. In the interpretation and understanding of any provision of these Restrictions, wherein there appears to be any conflict between these Restrictions and Declaration, the provisions of these Restrictions shall be paramount and such interpretation shall be solely consistent herewith.

IN WITNESS WHEREOF, Declarant has executed these Restrictions this

10th day of March, 1981.

DMI INVESTMENT CORP., a Texas corporation

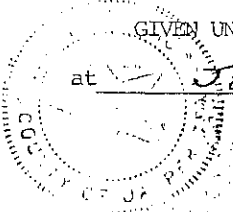
By: C. Philip Wallis
Vice President

STATE OF
COUNTY OF

BEFORE ME, the undersigned authority, on this day personally appeared C. Philip Wallis ^{Vice} President of DMI INVESTMENT CORP., a Texas corporation, 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 purpose and consideration therein expressed, and as the act and deed of said corporation, and in the capacity therein stated.

GIVEN UNDER my hand and the seal of my office on March 10, 1981
at Jasper, in Jasper County, Texas.

Carey Williamson
Notary Public
Carey Williamson



My Commission Expires: 5-31-81