

FIRST AMENDMENT
TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
THE RESERVE ON LAKE CONROE
(a subdivision in Montgomery County, Texas)

THE STATE OF TEXAS §
 § KNOWN ALL BY THESE PRESENTS:
COUNTY OF MONTGOMERY §

THAT this First Amendment Declaration of Covenants, Conditions, and Restrictions for The Reserve on Lake Conroe (this “**First Amendment**”), is entered into and declared by the following: (i) **WB Conroe LLC**, a Texas limited liability company, as the successor declarant, and as the owner of the called Tract 1 Lots (defined below) (“**Declarant**” or “**WB Conroe**”); and (ii) **Wan Bridge Land, LLC**, a Texas limited liability company, as the owner of the called Tract 2 Lots (defined below) (“**Wan Bridge Land**”), and effective as of January 18th, 2022 (the “**Effective Date**”).

As used herein the terms WB Conroe and Wan Bridge Land may be each and collectively referred to as the “**Townhouse Owner**”.

RECITALS:

- A. Lake Conroe Holdings, LLC, as the original declarant, caused the instrument entitled “*Declarations of Covenants, Conditions, and Restrictions for The Reserve on Lake Conroe*” to be recorded in the Official Public Records of Real Property of Montgomery County, Texas, under Clerk’s File No.: 2019034750 (the “**Declaration**”), which instrument imposes various covenants, conditions, restrictions, and easements on the Property (as defined in the Declarations) and as more particularly described as follows (the “**Property**”):

that certain real property located in Montgomery County, Texas, platted as to THE RESERVE ON LAKE CONROE, SECTION ONE according to the map or plat thereof filed in Cabinet Z, Sheets 5824-5837 in the Map Records of Montgomery County, Texas (and under Clerk's File Document No. 2019048230).

- B. Lake Conroe Holdings, LLC, assigned and conveyed all of its rights, interests, privileges, powers, and authorities as "declarant" under the Declaration to WB Conroe, LLC, under that certain *Assignment and Assumption of Declarant's Rights* dated February 24, 2021, as recorded under Montgomery County Clerk's File Number: 2021023801 (the "**Assignment of Declarant's Rights**").
- C. Accordingly, under the terms of the Assignment of Declarant's Rights WB Conroe, LLC is the "Declarant" under the Declaration that covers the Property for all purposes.
- D. WB Conroe is the current owner of the following described lots within the Property under that certain special warranty deed as recorded in Montgomery County Clerk's File No. 2021023796, Official Public Records of Montgomery County, Texas, and as more particularly described as follows (collectively, the "**Tract 1 Lots**"):

Tract 1 Lots:

Lots 82-84, 92-128, 144, in Block 1, and Lots 56-58, 62, in Block 2, of THE RESERVE ON LAKE CONROE, SECTION ONE, a subdivision in Montgomery County, Texas, according to the map or plat thereof as recorded in Cabinet Z, Sheet 5824 of the Map Records of Montgomery County Texas.

- E. Wan Bridge Land is the current owner of the following described lots within the Property under the following deeds: (i) that certain special warranty deed as recorded in Montgomery County Clerk's File No. 2021023965, Official Public Records of

Montgomery County, Texas; and (ii) that certain special warranty deed as recorded in Montgomery County Clerk's File No. 2021077066, Official Public Records of Montgomery County, Texas; and as more particularly described as follows (collectively, the "**Tract 2 Lots**"):

Tract 2 Lots:

Lots 129-137, 139-142, 145-147, in Block 1; and Lots 63-70, 73-74, in Block 2, of THE RESERVE ON LAKE CONROE, SECTION ONE, a subdivision in Montgomery County, Texas, according to the map or plat thereof as recorded in Cabinet Z, Sheet 5824 of the Map Records of Montgomery County Texas.

- F. The Tract 1 Lots and the Tract 2 Lots, being a portion of the Property (and being 70 single family lots) are being replated according to the following described replat (the "**Replat Property**") in order to create 140 townhouse or duplex lots:

The RESERVE ON LAKE CONROE SECTION ONE PARTIAL REPLAT NO 1., a subdivision of 13.134 acres of land, being a partial replat of The Reserve on Lake Conroe Section One, a subdivision recorded in Cabinet Z, Sheets 5824-5837, in the Map Records of Montgomery Country, Texas, as recorded in Cabinet _____, Sheets _____ in the Map Records of Montgomery Country, Texas, and as shown or depicted in **Exhibit "A"** attached hereto and incorporated herein by this reference for all purposes.

- G. Townhouse Owner also owns the following described lots within the Property (collectively, the "**Tract 3 Lots**"):

Tract 3 Lots:

Lots 63 – 81, and Lots 86-91, in Block 1; and Lots 9, 10, 12, 13, 32, 33, 35, 36, in Block 2 of THE RESERVE ON LAKE CONROE, SECTION ONE, a subdivision in Montgomery County, Texas, according to the

map or plat thereof as recorded in Cabinet Z, Sheet 5824 of the Map Records of Montgomery County Texas.

- H. The Replat Property, the Tract 1 Lots, the Tract 2, Lots and Tract 3 Lots shall be collectively referred to as the “**Townhouse Property**”

- I. The Townhouse Property for the development of certain Townhouses will be managed and under the control of the newly created homeowner’s association named Lakeside Conroe Homeowners Association Inc., a Texas nonprofit corporation (the “**Townhouse Association**”).

- J. The Townhouse Property is being created and established by the Townhouse Owner and the Townhome Association for the special purpose of allowing and permitting the development of Townhouses (as defined herein) within the Property only on the Townhouse Property.

- K. The Townhouse Property will be developed and subject to the terms and conditions of this First Amendment for all purposes.

- L. The development of the Townhouse Property for Townhouses will be referred to herein as the “**Townhouse Project**”.

- M. Declarant desires to amend the original Declaration, as allowed under Section 6.2 of the Declaration, in order to allow, permit, and include the defined term of townhouse and incorporate build/lease developments within the Property according to the terms and conditions of this First Amendment.

NOW THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Declarant along with the Townhouse Owner hereby amends the Declaration as follows:

ARTICLE 1.

Definitions

In addition to the definitions contained herein, all definitions set forth in the Declaration, including as amended hereby, are incorporated by reference herein for all purposes.

ARTICLE 2.

AMENDMENTS

A. **Townhouse and Party Wall and Other Definitions.** The following definition of the term “**Townhouse**” and “**Part Wall**” and other terms are hereby added and included in Article 1 of the Declaration for all purposes:

1. “**Townhouse**” – the term townhouse or Townhouse means each single family residence contained within a building comprised of two (2 or more attached single family residences separated by a Party Wall (as defined herein). Not more than eight (8) Townhouses may be contained within a single building of attached Townhouses. A Townhouse may not exceed the lesser of three (3) stories or forty feet (40') from the top surface of the applicable Townhouse foundation slab, unless otherwise indicated by context, as follows: “*Townhouse - Includes the Townhouse Lot on which the Townhouse is located.*” A building comprised of two (2) or more Townhouses does not constitute a prohibited apartment building, duplex or multifamily dwelling under the Declaration, as amended, and nothing therein will prohibit any Townhouse as provided in this First Amendment or other instrument.”
2. **Party Wall** - A wall constructed on or adjacent to the common Lot

line for two (2) adjacent Townhouse Lots which separates two (2) adjacent Townhouses while, at the same time, serving as a perimeter wall for each Townhouse.

3. **Townhouse Assessment** - The assessment payable to the Townhouse Association by the Owners of each Townhouse Lot as provided in this First Amendment.
4. **Townhouse Lot** - Each of the Lots shown on the Townhouse Property.

B. **Inspection of Books and Records.** Without limitation as to any other rights to inspect and copy Association books and records, any Build/Lease Developer (as defined below) may inspect, copy and audit all Association books and records relating any matters as provided in this First Amendment. Provided that, a Build/Lease Developer must submit a request to review or obtain copies of records and pay costs associated with the request in accordance with the Association's recorded Open Records Policy.

C. **Build/Lease Development.** The Declaration is hereby amended, modified, and expanded for all purposes in order to permit and allow the following described Build/Lease Development within the Townhouse Project:

1. Build/Lease Development (as defined below) is permitted within the Townhouse Property and Townhouse Project by a builder which is approved in writing by Declarant (the “**Build/Lease Developer**”).
2. “**Build/Lease Development**” means the Townhouse Property which includes the construction by a Build/Lease Developer of Townhouses which may be leased as income property at any time after construction by or through the Build/Lease Developer or the Owner or Owners thereof for single family residential purposes. Such a lease of a

Townhouse for single-family residential purposes is not considered to be a prohibited business or commercial use under the Declaration or any other Association Dedicatory Instruments, and nothing therein will prohibit any such leasing or use.

3. Build/Lease Developer may elect as to an area within the Townhouse Property a defined area to (i) provide Townhouse Association maintenance services as provided in the Declaration or this First Amendment, and/or (ii) maintain a separate insurance program as provided in the Declaration or this First Amendment, and/or (iii) provide any other Association services intended exclusively for Owners or occupants of the Townhouses as provided in the Declaration or this First Amendment. Provided that, the Townhouse Association must give written notice to any Build/Lease Developer specifying any “other Association services, such service(s) must be uniform as to Project, and any Build/Lease Developer will have thirty (30) days after receipt of the notice to either accept or decline to accept providing of the service(s) by giving written notice to the Association falling which the Build/Lease Developer will be deemed to have accepted providing of the service(s). Any Build/Lease Developer election must apply to the entire applicable defined area. Written notice of such election must be given by the Build/Lease Developer to the Association and filed of record. The election may be effective upon closing of the sale of the defined area to a Build/Lease Developer or such later date as stated in the notice; provided that, not less than sixty (60) days written notice must be given as to any election which will be effective after closing. If an election is made as to maintenance services and/or a separate insurance program and/or other Association maintenance services, the Build/Lease Developer will be solely responsible for the cost of such maintenance

services and the cost of the separate insurance, as applicable.

4. An election may be canceled at any time as to one or more of the above categories (Association maintenance, insurance or other Association services) by the Build/Lease Developer so long as the Build/Lease Developer owns not less than a majority of the Townhouse Lots in the defined area or thereafter by a majority of the Owners of the Townhouse Lots in the defined area. Not less than sixty days written notice as to any such cancellation must be given to the Association and filed of record. Any cancellation must apply to the entire defined area. Partial cancellations as to the defined area are not permitted. Upon cancellation, the applicable provisions of the Declaration will again apply, and the applicable Association maintenance services, insurance and/or other services will then be provided accordingly by the Association. If the cancellation covers Association maintenance services, then upon cancellation all then remaining reserve funds applicable thereto as provided below must be transferred to the Association to be then held and applied by the Association exclusively for Association maintenance services to thereafter be provided to the Townhouses within the applicable defined area. Once maintenance, insurance or other services are canceled, the Builder/Lease Developer does not have the authority to make an election to again provide such services or maintain a separate insurance program without the written consent of Developer and Declarant.

5. The maintenance services and/or other services provided by a Build/Lease Developer pursuant to an election must be substantially equivalent to the standards of such services provided by the Association pursuant to the Declaration. In the case of Association maintenance

services, a reasonable reserve must also be funded by the applicable Build/Lease Developer, either directly or by payments by Owners within the defined area to the Build/Lease Developer. These reserve funds must be used by the Build/Lease Developer exclusively for payment of costs of the Association maintenance services to be provided by the Build/Lease Developer within the defined area. In the case of insurance, the Build/Lease Developer must provide a certificate of insurance to the Association with or within a reasonable time after the election notice is given. The certificate must reflect coverage as aforesaid and that the insurance may not be cancelled without at least sixty (60) days written notice to the Association. The coverage must be substantially similar to the property insurance maintained by the Association on the other buildings in the Project, to the end that, in the event of a casualty causing damage to or destruction of all or a part of a building within the defined area, the building is promptly repaired and/or reconstructed. During the period of coverage pursuant to the separate insurance program the Build/Lease Developer for the applicable defined area will manage and administer the insurance program, and all claims arising during that period, if any, will be submitted to and adjusted by that Build/Lease Developer. If applicable insurance proceeds are not sufficient to cover the entire cost of repair and/or reconstruction, the applicable Build/Lease Developer is solely responsible for all costs in excess of insurance proceeds, subject to rights of the Build/Lease Developer to assess costs thereof to the Townhouse Owners in any manner as provided in Declaration and/or Annexation Declaration.

6. In the event that Build/Lease Developer fails to provide maintenance services and/or other services to the same standards as that provided by

the Association for other buildings, the Association may provide written notice to Build/Lease Developer specifying the deficiency or deficiencies in the services, Build/Lease Developer will have a period of thirty (30) days from the date of receipt of the Association's notice to either dispute the deficiency or deficiencies, or some part thereof, or initiate the necessary maintenance work (either entirely or as to the undisputed deficiencies). In the event of a dispute as to a deficiency set forth in the Association's notice, the parties are obligated to promptly communicate with each other for the purpose of reasonably resolving the dispute. If there is no dispute as to a deficiency set forth in the Association's notice and Build/Lease Developer has not initiated the necessary maintenance work within the stated thirty (30) day period, the Association will have the right, but not the obligation, to perform the necessary maintenance work and charge Build/Lease Developer the cost of such work.

7. Any amounts required to be paid by Owners within a defined area to a Build/Lease Developer as to Association maintenance services, insurance and/or other services as herein provided are secured by the lien created by the Declaration and to such extent the lien is hereby assigned to each such Build/Lease Developer. Provided that, if Build/Lease Developer makes an election to cancel services and/or the separate insurance program as provided above, the assignment of the lien will terminate as of the recording of the notice of cancellation, whether or not so stated in the notice of cancellation, and the lien will then be vested in the Association.
8. Declarant hereby designate and approve Townhouse Owner or its successors or assigns, as a Build/Lease Developer as to the following defined area (the “**Build/Lease Defined Area**”):

Being all the land and tracts or lots as described in **Exhibit “A”** attached hereto and incorporated herein by this reference for all purposes

9. This instrument is notice to the Association of election by Townhouse Association to provide Association maintenance, insurance and other Association services as above provided to the TownhouseProperty, effective upon closing of the sale by Declarant to Townhouse Association.

10. Notwithstanding any other provisions of the Declaration, the initial amount of the annual Townhouse Assessment applicable to each Townhouse Lot located within the Build/Lease Defined Area is \$100.00, commencing in the year in which this instrument is recorded; provided that the amount of this annual Townhouse Assessment payable in the year in which this instrument is recorded will be prorated as of the date of recording. This annual Townhouse Assessment is payable monthly, on the first day of each month. From and after January 1, 2022 this Townhouse Assessment may be increased each year by the Association based on an approved budget by not more than twenty percent (20%) or such greater amount as approved by not less than a majority of the Owners of the Townhouse Lots within the Build/Lease Defined Area.

11. Upon cancellation of the election as to the Build/Lease Defined Area of one (1) or more but less than all of the Association maintenance services, insurance or other Association services as above provided the Townhouse Assessment as to the Build/Lease Defined Area may be increased by the Association accordingly to an amount which is uniform

as to all Townhouse Lots in the Project. Upon cancellation of the election as to all Association maintenance services, insurance and other Association services the provisions of the Declaration will again apply to the Townhouse Assessment within the Build/Lease Defined Area.

12. The provisions of this instrument may not be amended without the prior written consent of each Build/Lease Developer to which the amendment would apply and Owners are not entitled to vote as to any such amendment unless and until such written consent is given. "Amend", "amendment" or substantial equivalent mean any change, modification, revision, termination or release as to or provisions of this instrument, whether by amendment of this instrument or by amendment of any other Association dedicatory instruments.

D. Integration and Ratification. The foregoing amendments to the Declaration are deemed to be a part of and are to be interpreted in accordance with the Declaration, provided that in the event of any conflict between a provision of the Declaration or any other Association dedicatory instruments and a provision of this instrument, the provisions of this instrument will control for all purposes. All provisions of the Declarations not so amended are hereby ratified and confirmed and will continue in full force and effect pursuant to the terms of the Declaration.

ARTICLE 3

ASSOCIATION MAINTENANCE SERVICES

The Townhouse Association is required to maintain, repair and replace the roofs, the foundations, and the exterior building surfaces of the Townhouses, and the landscaping in designated areas of the Townhouse Lots, to maintain a uniform appearance, as more particularly set forth in this Article.

A. Roofing and Roof Systems. The Townhouse Association will repair, maintain, and replace the roofs within the reasonable discretion of the Townhouse Association, acting by and through its Board. The “**roofs**”, as used herein, means only the exterior surfaces of the roof constituting the roofing shingles, the underlay beneath the shingles, the decking materials, the flashing, and any guttering attached to the roofing eaves. The Townhouse Association is not required to maintain, repair, or replace any trusses, beams or any portion of the structure supporting the roof. If any part of the roof which is the responsibility of the Owner to repair or replace is not timely and/or properly repaired or replaced by the Owner of the Townhouse, the Townhouse Association has the right, but not the obligation, to perform the necessary work and 110% of the cost of such repair and/or replacement, plus a reasonable administrative fee, will be charged against the Townhouse for which the work was performed. The amount charged will be due upon receipt and, if not paid within ten (10) days, the amount due will be assessed against the Townhouse and the Owner of the Townhouse, which assessment will be secured by the lien against the Townhouse established in Article 4 of the Declaration. The Townhouse Association, its Board, officers or agents, are not responsible or liable to any Owner or other occupant for any damage to the interior of the Townhouse or contents thereof (including the attic space) resulting from roof leaks or water penetration unless the damage results from the willful acts or gross negligence of the Townhouse Association. In no event is the Townhouse Association liable for repair or replacement of any consequential or incidental damage to the interior of the Townhouse which may result, whether foreseen or unforeseen, from any repair or replacement work performed by the Townhouse Association or its employees, agents or contractors.

B. Foundations. The Townhouse Association will maintain and repair the foundations of all Townhouses as reasonably determined to be necessary and appropriate by the Board of Directors of the Townhouse Association. The Townhouse Association, its agents, employees, and contractors, will have reasonable access to the

interiors of the Townhouses as necessary to investigate and repair foundation problems. The Townhouse Association, its Board, officers or agents, are not responsible or liable to any Owner or other occupant of a Townhouse for any damage to the interior of a Townhouse or contents thereof resulting from a foundation problem or the repair of a foundation unless the damage results from the willful acts or gross negligence of the Townhouse Association. Items for which the Townhouse Association has no responsibility or liability (absent willful acts or gross negligence) include, without limitation, interior cracks in walls, ceilings or floor coverings or the replacement of floor coverings which must be removed to effect necessary foundation repairs.

- C. Exterior Building Surfaces. The Townhouse Association will repair, maintain and replace the exterior building surfaces as reasonably determined to be necessary and appropriate by the Board of Directors of the Townhouse Association. Exterior building surfaces include the building components which constitute the most outward portion of the building exterior, whether wood or Hardiplank (or similar material), exterior siding, brick, stucco, and related exterior trim, including the painting (if applicable) of the foregoing materials. The Townhouse Association does not have any responsibility to maintain, repair, or replace any portion of the structure of the Townhouse (including studs within the walls), or any insulation materials whatsoever. If any of such items which are the responsibility of the Owner require repair or replacement, and the Owner of the Townhouse fails or refuses to repair or replace same, the Townhouse Association has the right, but not the obligation, to perform the necessary work and 110% of the cost of such repair and/or replacement, plus a reasonable administrative fee, will be charged against the Townhouse and the Owner of the Townhouse for which the work was performed. The amount charged will be due upon receipt and, if not paid within ten (10) days, the amount due will be assessed against the Townhouse and the Owner of the Townhouse, which assessment will be secured by the lien against the Townhouse established in Article 4 of the Declaration. The Townhouse Association, its Board, officers or agents, are not responsible or liable to any Owner or other occupant for any damage to the interior of the Townhouse or contents thereof

resulting from any water leaks or penetration unless same has resulted from the willful acts or gross negligence of the Townhouse Association. In no event is the Townhouse Association liable for repair or replacement of any consequential or incidental damage to the interior of the Townhouse which may result, whether foreseen or unforeseen, from any repair or replacement work performed by the Townhouse Association or its employees, agents or contractors.

- D. Exterior Doors, Garage Doors, Windows and Fixtures. The Townhouse Association will paint the exteriors of the exterior doors and garage doors and exterior window trim in connection with the repainting of the exteriors of the Townhouses. Provided, however, that the Owners will always be responsible for replacing or repairing the exterior doors, garage doors, and windows and window frames (and all related hardware or fixtures relating thereto) at the owner's sole cost and expense. If, during the performance of its maintenance or repair responsibilities, it becomes apparent to the Board of Directors of the Townhouse Association that a door, window or garage door is in need of repair or replacement, the Owner will be so notified in writing and the Owner will be required to repair or replace same in a timely fashion so as to allow the Townhouse Association the ability to complete its exterior maintenance responsibilities and painting. If such Owner fails or refuses to repair or replace same, the Townhouse Association has the right, but not the obligation, to perform the necessary work and 110% of the cost of such repair and/or replacement, plus a reasonable administrative fee, will be charged against the Townhouse and the Owner of the Townhouse for which work is performed. The amount charged will be due upon receipt and if not paid within ten (10) days, the amount due will be assessed against the Townhouse and the Owner of the Townhouse, which assessment will be secured by a lien against such Townhouse established in Article 4 of the Declaration.
- E. Landscaping. The yard area of each Townhouse Lot will be maintained by the Townhouse Association. As used herein, "yard area" means the area in front of each

Townhouse and, in the case of a Townhouse Lot having a side yard between the Townhouse and a Reserve, all or a portion of the side yard, as determined to be appropriate by the Townhouse Association. The yard area includes trees, landscape beds, and shrubs. Maintenance of the yard area of a Townhouse Lot by the Townhouse Association may include mowing, trimming, fertilizing, mulching, limited insect and disease control of grass and landscaping, and any other maintenance that the Board of Directors of the Townhouse Association, in its sole discretion, deems necessary and appropriate. It is the responsibility of the Owner of each Townhouse Lot to regularly water any area of the Owner's Townhouse Lot and any landscaping that is not covered by an irrigation system controlled by the Townhouse Association. Pedestals, transformers, cable boxes and the like in the yard area will be screened from view by evergreen landscaping maintained by the Townhouse Association. The cost of maintaining the yard areas of the Townhouse Lots will be borne by the Owners of the Townhouse Lots through the Townhouse Assessment, as provided in of this instrument. Declarant reserves for the Townhouse Association a perpetual easement upon and across each Townhouse Lot for the purpose of maintaining the yard area of each Townhouse Lot as provided in this section. By virtue of these easements, the Townhouse Association and its agents, employees and contractors, have the right and authority to go upon each Townhouse Lot for the purpose of performing all work related to the maintenance of the yard area of each Townhouse Lot.

- F. Irrigation Systems. The Townhouse Association will maintain and control all components of irrigation systems for watering the yard areas and landscaping on the Townhouse Lots maintained by the Townhouse Association, including but not limited to, the timers, to the exclusion of the Owners. Such maintenance may include the repair and/or replacement of any and all components of such irrigation systems, as determined necessary in the sole discretion of the Board. The cost associated with such maintenance, repair and replacement of irrigation systems and related components will be an expense payable through the Townhouse Assessment. Provided, however, in the

event that an Owner or an occupant of a Townhouse Lot for whom the Owner of the Townhouse is responsible causes damage to the irrigation system and related components servicing the Owner or occupant of a Townhouse Lot, any expense incurred by the Townhouse Association to perform the necessary repair or replacement work will be the responsibility of the Owner of such Townhouse Lot. The cost of such repair and/ or replacement will be charged against the Owner and the Townhouse Lot for which work is performed. The amount due will be due upon receipt and if not paid within ten (10) days, the amount due will be assessed against the Townhouse Lot and the Owner of the Townhouse Lot, which assessment shall be secured by a lien against the Townhouse Lot established in Article 4 of the Declaration. Notwithstanding anything contained herein to the contrary, each Owner has the obligation to pay for all water usage costs which are separately metered for the Owner's Townhouse Lot.

G. Easement Granted to Townhouse Association. The Townhouse Association and its designees are hereby granted a perpetual non-exclusive easement upon and across all of the Townhouse Lots for the purpose of going onto each Townhouse Lot to perform maintenance, repair, replacement, or other work authorized in this Article. Said easement will be over, across, under, and upon all of the Townhouse Lots. If it becomes necessary for the Townhouse Association or its designees to enter into a Townhouse to perform the services described herein, the Board, except in the case of an emergency and to the extent practicable, must give the affected Owner of the Townhouse fifteen (15) days written notice setting forth the action intended to be taken by the Townhouse Association. Such entrance by the Townhouse Association may not be unreasonably withheld by the affected Owner of the Townhouse. In the event of an emergency, the Townhouse Association has a right of entry without prior notice to the Owner.

ARTICLE 4

MAINTENANCE OBLIGATIONS OF OWNERS OF TOWNHOUSE LOTS

All maintenance, repair and/ or replacement work related to the Townhouse and Townhouse Lot, other than that provided by the Townhouse Association in the preceding Article, is the sole responsibility of the Owner, as provided in this Article.

- A. Landscaping. All areas of a Townhouse Lot and all landscaping on a Townhouse Lot that are not maintained by the Townhouse Association, as provided in this First Amendment must be regularly maintained by the Owner of the Townhouse Lot.
- B. Structural and Building. The Owner of each Townhouse must maintain in proper working order and on a continuing basis, all structural and building items that are not specifically identified as a Townhouse Association responsibility. Such structural items include framing, roof structure (except for decking), walkways, driveways, patios and the like.
- C. Townhouse Utilities. The Owner of each Townhouse must maintain in proper working order and on a continuing basis all Townhouse sanitary sewer lines and facilities, water pipelines, Townhouse water meters and related water lines (save and except the irrigation components addressed herein above) and facilities, electrical and gas lines, meters and facilities, telephone and any other telecommunication lines, devices or facilities, and all other facilities, utilities and services which exclusively service each Townhouse, regardless of the location thereof. Utilities which provide service to more than one Townhouse must be maintained, repaired and replaced by all of the Owners of the multiple Townhouses served, pro rata, or in such other proportions as determined by the Board upon written request when the circumstances clearly demonstrate that a different manner of allocation is required.
- D. Other Items. The Owner of each Townhouse must maintain any other exterior item that is not specifically identified as a Townhouse Association responsibility, such as the exterior light fixtures and light bulbs, air conditioning of a Townhouse, as well as any lines, pipes, ducts, and wall penetrations. The Owner is also solely responsible for the interior of the Townhouse.

E. Party Walls.

1. General Rules. Except as otherwise provided in this section, the responsibility for the maintenance and repair of a **Party Wall** is the joint responsibility of the Owners of the adjacent Townhouses. The cost to maintain and repair a Party Wall must be shared equally by the Owners of the adjacent Townhouses. General rules of law regarding Party Walls and liability for property damage due to negligence and willful acts or omissions will apply.
2. Damage or Destruction. If a Party Wall is damaged or destroyed by fire or other casualty and such damage is covered by the property insurance policy maintained by the Townhouse Association, the insurance proceeds will be used by the Townhouse Association to repair or reconstruct the Party Wall. If the insurance proceeds do not cover the entire cost to repair or reconstruct the Party Wall, the cost not covered by insurance proceeds must be shared equally by the Owners of the adjacent Townhouses.
3. Individual Liability. An Owner of a Townhouse who, by his negligence or willful act, causes a Party Wall to be damaged or exposed to the elements must bear the entire cost of performing whatever work is necessary to repair the Party Wall and protect the Party Wall from the elements.
4. Right of Contribution. The right of an Owner of a Townhouse to contribution from the Owner of an adjacent Townhouse relating to the Party Wall separating the two (2) Townhouses is appurtenant to the land and will pass to the Owner's successors in title.
5. Disputes. In the event of a dispute relating to a Party Wall or any provision of this Section (the "**Dispute**"), the parties must submit the Dispute to mediation if the parties are unable to agree on a mediator within ten (10) days after written request from the Board to select a mediator, the Board has the authority to select a mediator. If the Dispute is not resolved by mediation, the Dispute will be resolved by binding arbitration. Either party may demand and thereby initiate

the arbitration. The parties must agree upon an arbitrator within ten (10) days of the date that a party demands arbitration and notify the Board of the name of the arbitrator. If the parties are unable to agree on an arbitrator within such ten (10) day period, the Board, has the authority to select an arbitrator. The decision of the arbitrator will be binding upon the parties and will be in lieu of any right of legal action that either party may have against the other. In the event an Owner fails to properly and on a timely basis (both standards to be determined by the Board in the Board's sole and absolute discretion) implement the decision of the mediator or arbitrator, as applicable, the Board may implement said mediator's or arbitrator's decision, as applicable. If the Board implements the mediator's or arbitrator's decision on behalf of an Owner, the Owner otherwise responsible therefore will be personally liable to the Townhouse Association for all costs and expenses incurred by the Townhouse Association in conjunction therewith. If such Owner fails to pay such costs and expenses upon demand by the Townhouse Association, such costs and expenses (plus interest from the date of demand until paid at the rate of one and one-half percent (1-1/2%) per month or the maximum non-usurious rate, whichever is less) will be assessed against and chargeable to the Owner's Townhouse Lot. Any such amounts assessed and chargeable against a Townhouse Lot here-under will be secured by the liens reserved in the Declaration for Assessments and may be collected by any means provided in the Declaration for the collection of Assessments.

Maintenance and repair work must be performed consistent with this instrument and the Declaration and in conformity with the standards of the Subdivision

ARTICLE 5
INSURANCE

A. Insurance Maintained by the Association. The Townhouse Association must at all times maintain property insurance on all of the Townhouses and related improvements, insuring against loss or damage by fire and loss or damage by all risks embraced by standard extended coverage policies in use in the State of Texas in an amount not less than the full insurable replacement cost of all of the Townhouses. The full insurable replacement cost of all of the Townhouses will be determined each year by the Board of Directors of the Townhouse Association. If an appraisal is necessary to make the determination, the cost of the appraisal will be an expense borne by all of the Owners of the Townhouse Lots through the Townhouse Assessment.

1. Requirements. Property insurance carried by the Townhouse Association must provide that:

- a. the insurer waives its rights to subrogation under the policy against an Owner of a Townhouse Lot;
- b. no action or omission of an Owner of a Townhouse Lot will void the policy or be a condition to recovery under the policy;
- c. if, at the time of a loss under the policy, there is insurance in the name of an Owner of a Townhouse Lot covering the same property covered by the policy, the Townhouse Association's policy provides primacy insurance; and
- d. the insurer issuing the policy may not cancel or refuse to renew the policy less than thirty (30) days after written notice of the proposed cancellation or non-renewal has been mailed to the Townhouse Association

2. Claims. A claim for any loss covered by the property insurance policy maintained by the Townhouse Association must be submitted by and adjusted with the Townhouse Association. The insurance proceeds for that loss will be payable to an insurance trustee designated by the Townhouse Association for that purpose, if the designation of an insurance trustee is considered by the Board of Directors of the Townhouse Association to be necessary or desirable, or otherwise to the Townhouse

Association and not to any Owner of a Townhouse Lot or lien holder. The insurance trustee or the Townhouse Association will hold insurance proceeds in trust for Owners of Townhouse Lots and lien holders as their interests may appear. The proceeds paid under the policy must be disbursed first for the repair or restoration of the damaged Townhouse(s), and the Owners of Townhouse Lots and lien holders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored.

3. Costs in Excess of Insurance. If the cost of repair or replacement is in excess of the insurance proceeds, the Townhouse Association may levy an assessment against each of the Owners of the Townhouses that were damaged or destroyed prorata on the basis that the cost of repair or replacement of a particular Townhouse bears the total cost to repair or restore all Townhouses affected by the loss. Any such assessment levied against the Owner of a Townhouse that was damaged or destroyed will be charged against the Owner and the Owner's Townhouse Lot and secured by the lien against the Townhouse established in Article 4 of the Declaration.
4. Deductible. The amount of the deductible under the Townhouse Association's property insurance policy may change from time to time, as approved by the Board of Directors of the Townhouse Association. Payment of costs incurred before insurance proceeds are available will be as follows:
 - a. in the event a loss or damage originates from a condition outside a Townhouse, but the loss or damage was not caused by an Owner of the Townhouse or the Townhouse Association, and the cost to repair the Townhouse is less than the deductible, the party responsible for the repair of the Townhouse will be in accordance with the provisions of this instrument.
 - b. in the event a loss or damage covered by the Townhouse Association's property insurance policy is caused wholly or partly due to an act or omission of an Owner or the guest or invitee of an Owner, including tenants and occupants of the Owner's Townhouse, such Owner will be liable for:

- (i) the full amount of any deductible on the Townhouse Association's insurance policy; and
- (ii) any other expenses of insurance proceeds.

The Owner (or tenant) must also submit a claim with his or her individual insurance carrier for any loss resulting from such actions. Such expenses will be assessed against the Owner and the Owner's Townhouse.

- c. the Owner is liable for the full deductible on the Townhouse Association's property insurance policy in the event that:
 - (i) the loss originates within the Owner's Townhouse or results from unknown causes within the Townhouse (regardless of fault or negligence); or
 - (ii) the cause of the loss cannot be determined and is only related to the Owner's Townhouse (regardless of fault or negligence).

The deductible will be assessed against the Owner and the Owner's Townhouse

- d. in the event more than one (1) Townhouse is involved in any insured loss, and the cause of the damage cannot be attributable to any one (1) Townhouse, Owner or tenant, the deductible will be proportionately distributed among all Owners who have experienced the loss. The amounts proportionally distributed will be assessed against each Owner and each Owner's Townhouse.
- e. the Board of Directors of the Townhouse Association has the authority to determine whether any loss or damage was:
 - (i) caused by or the result of the act (or negligence) of an Owner or the Owner's tenants, invitees or guests;
 - (ii) caused by or the result of a condition that originated in a Townhouse; or
 - (iii) caused by or the result of a condition or event exclusively related to a Townhouse.

- f. the reasonable, good faith determination of the cause of a loss or damage by the Board of Directors of the Townhouse Association will be conclusive and binding on all parties.

B. Insurance Maintained by Owners of Townhouse Lots. Each Owner of a Townhouse Lot is required to at all times maintain insurance on the contents, furnishings and personal property within the Owner's Townhouse and all parts of the Townhouse not covered by the property insurance policy maintained by the Townhouse Association. All policies of casualty insurance carried by each Owner will be without contribution with respect to the property insurance policy maintained by the Townhouse Association for the benefit of all of the Owners of the Townhouse Lots. Owners of Townhouse Lots are also required to at all times maintain individual policies of liability insurance at their own cost and expense. An Owner of a Townhouse Lot must provide to the Townhouse Association certificates of insurance properly executed by a duly authorized insurance company representative upon reasonable written request.

ARTICLE 6
ASSESSMENTS

Each and every Townhouse Lot is hereby severally subjected to and impressed with an annual Townhouse Assessment payable to the Townhouse Association, which Townhouse Assessment will run with the land. A Townhouse Assessment is in addition to all Assessments, fees and charges set forth in Declaration that are payable to the Townhouse Association by the Owners of the Townhouse Lots. Townhouse Assessments payable by the Owners of Townhouse Lots are based upon the services provided by the Townhouse Association for the sole benefit of the Owners and occupants of the Townhouses, such as, by way of example and not in limitation:

- a. maintenance, repair and replacement services provided by the Association as set forth in this instrument;

- b. utility services which relate exclusively to the Townhouse Lots;
- c. reserve studies relating exclusively to the Townhouses, such as, by way of example and not in limitation, the replacement of the roofs of the Townhouses;
- d. insurance premiums for the property insurance on the Townhouses; and
- e. other services provided exclusively on behalf of the Owner or occupants of the Townhouses.

The amount of the annual Townhouse Assessment to be levied against each Townhouse Lot each year will be based upon a budget adopted by the Townhouse Association for the services to be provided exclusively to the Townhouse Lots and the Owners of the Townhouse Lots. The annual Townhouse Assessment will be payable in equal monthly installments beginning in January of the applicable Assessment year. Each monthly installment is due on the first day of the month and will become delinquent if payment is not received by the Townhouse Association on the fifteenth (15th) day of the month in which it became due. The initial amount of the annual Townhouse Assessment applicable to each Townhouse Lot is **\$600.00**, commencing in the year in which this instrument is recorded; provided that, the amount of the annual Townhouse Assessment payable in the year in which this instrument is recorded will be prorated as of the date of recording. Payment of Townhouse Assessments and other sums due hereunder (including, without limitation, interest, late fees, costs, and attorney's fees) are secured by the lien created in Article 4 of the Declaration. The Association will have all remedies for the non-payment of Townhouse Assessments that are available to the Townhouse Association for the non-payment of all other types of Assessments pursuant to the provisions Article 4 of the Declaration.

ARTICLE 7

DISPUTE RESOLUTION

Notwithstanding any provision in this instrument, the Declaration or the Bylaws or Certificate of Formation of the Townhouse Association to the contrary, the Townhouse

Association shall not have the power to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings:

- (i) in the name of or on behalf of any Owner of a Townhouse (whether one or more); or
- (ii) pertaining to a claim relating to the design or construction of a Townhouse (whether one or more).

Additionally, notwithstanding any provision in this instrument, the Declaration or the Bylaws, or Certificate of Formation of the Townhouse Association to the contrary, class action proceedings are prohibited, and no Owner of a Townhouse shall be entitled to prosecute, participate, initiate, or join any litigation, arbitration or other proceedings as a class member or class representative in any such proceedings pertaining to a claim relating to the design or construction of a Townhouse (whether one or more). This Article 7 may not be amended or modified without (i) the written and acknowledged consent of the Builder(s) that constructed each Townhouse on the Townhouse Lots and (ii) an instrument in writing signed by the Secretary of the Townhouse Association certifying that the then Owners of all [one hundred percent (100%)] of the Townhouse Lots approved the amendment.

ARTICLE 8

REPLAT AND SUBDIVISION OF LOTS

Declarant hereby accepts, approves and ratifies the Replat Property as part of the Community (as defined in the Declaration), and approves and ratifies the subdivision of the lots within with Replat Property for all purposes. Further, Section 2.1.K of the original Declaration is hereby amended and modified to allow, permit, and ratify the Replat and shall be deleted and entirely replaced with the following new Section 2.1.K below for all purposes:

“K. RESTRICTION ON FURTHER SUBDIVISION. Except for the Replat, no other Lot may be further subdivided and no portion less than the entirety of a Lot as shown on the Plat or Replat may be conveyed by an Owner to another party. Declarant reserved all rights to subdivide or further

replat any Lot within the Community, Plat or Replat.”

ARTICLE 9

MODEL HOME AND LEASING OFFICE LOTS

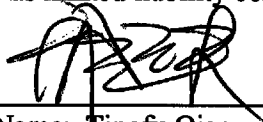
In addition to the rights under Section 2.1.N of the Declaration, Declarant further reserves the right to use any Lot or Reserve within the Community, Plat, or Replat to erect, construct, maintain, demolish, reconstruct, repair, occupy, and use structures, signs, dwellings, homes, or Townhouses as a model home, model Townhouse, or leasing or management office for any of the following purposes: (i) the marketing, sale, operation, leasing, or other disposition of any Lot within the Community, Plat, Replat, or property; and (ii) the management and office business operations and meetings, including without limitation the Townhouse Association operations and the Association operations and office functions and meetings for the management of property and each Lot with the Community, Plat, or Replat.

EXECUTED to be effective as of the date first written above.

Next Page is the Signature Page.

**SIGNATURE PAGE
TO THE
FIRST AMENDMENT TO
DECLARATION OF COVENANTS CONDITIONS AND RESTRICTIONS
OF
THE RESERVE ON LAKE CONROE**


**Declarant / WB Conroe
WB Conroe, LLC,
a Texas limited liability company**

By: 
Name: Tingfu Qiao
Title: Manager

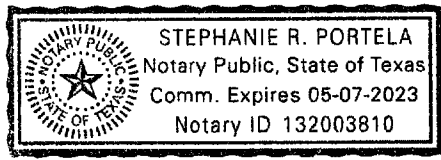
STATE OF TEXAS §
 §
COUNTY OF HARRIS §

On this 18 day of January, 2022, before me, a notary public in and for said state, personally appeared Tingfu Qiao, as Manager of WB Conroe, LLC, a Texas limited liability company, known to me to be the person whose name is subscribed to the forgoing instrument and acknowledged that he executed the same in his authorized capacity for, on behalf, and as an act of such limited liability company.

WITNESS my hand and official seal.

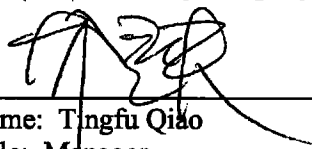


Notary Public, State of Texas



**SIGNATURE PAGE – continued
TO THE
FIRST AMENDMENT TO
DECLARATION OF COVENANTS CONDITIONS AND RESTRICTIONS
OF
THE RESERVE ON LAKE CONROE**


Wan Bridge Land:
Wan Bridge Land, LLC,
a Texas limited liability company

By: 
Name: Tingfu Qiao
Title: Manager

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

On this 18 day of JANUARY, 2022, before me, a notary public in and for said state, personally appeared Tingfu Qiao, as Manager of Wan Bridge Land, LLC, a Texas limited liability company, known to me to be the person whose name is subscribed to the forgoing instrument and acknowledged that he executed the same in his authorized capacity for, on behalf, and as an act of such limited liability company.

WITNESS my hand and official seal.



Notary Public, State of Texas

ATTACHMENT:
Exhibit "A" – Replat Property (Tract 1 Lots & Tract 2 Lots)

When Recorded, Return To:
Jason L. Davis, P.E.
Spencer Fane, LLP
3040 Post Oak Blvd., Suite 1300
Houston, Texas 77567

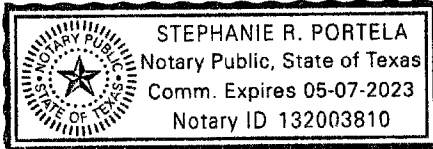
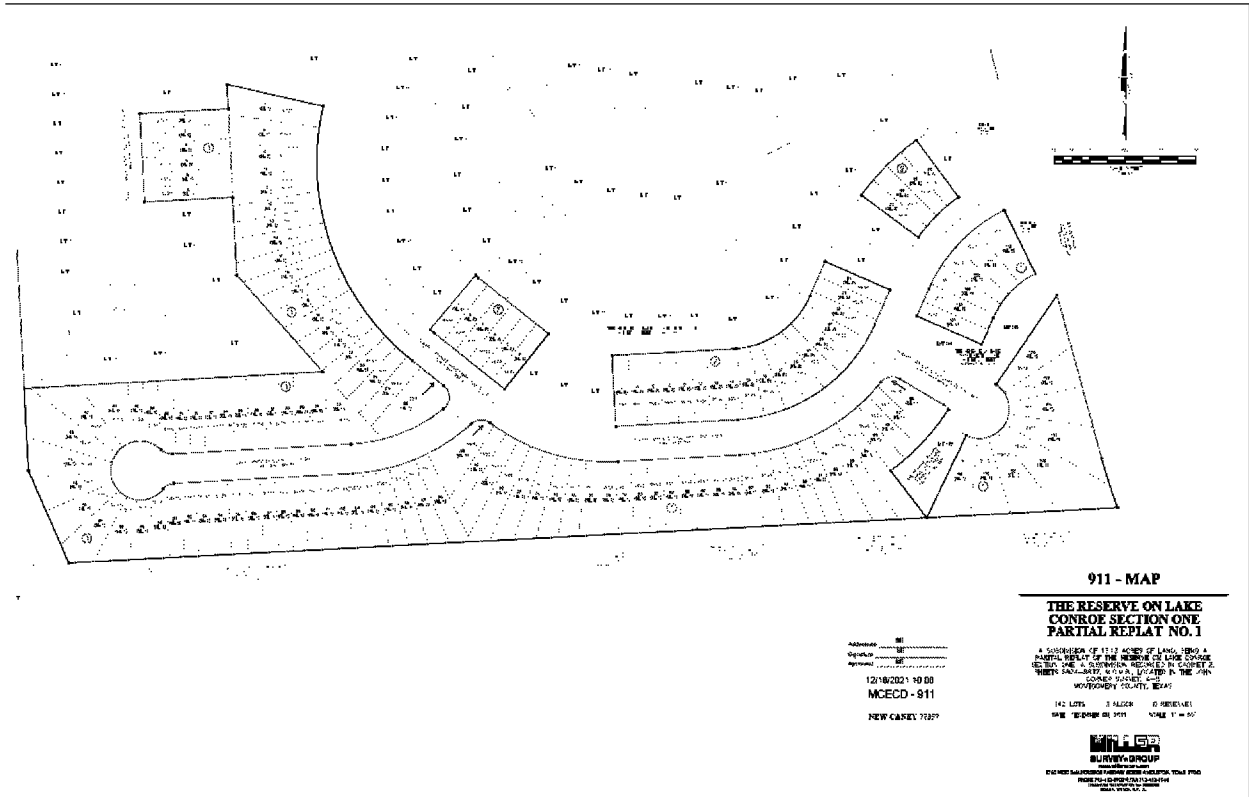


EXHIBIT "A"

**REPLAT PROPERTY
(Tract 1 Lots & Tract 2 Lots)**



E-FILED FOR RECORD

01/18/2022 04:14PM



COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS,
COUNTY OF MONTGOMERY

I hereby certify that this instrument was e-filed in the file number sequence on the date and time stamped herein by me and was duly e-RECORDED in the Official Public Records of Montgomery County, Texas.

01/18/2022



County Clerk
Montgomery County, Texas