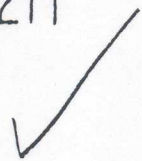


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003-59-1211

SUPPLEMENTAL
RESTRICTIONS, COVENANTS
AND CONDITIONS

INDIAN BEACH SUBDIVISION
GALVESTON COUNTY, TEXAS



THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

WHEREAS, MITCHELL DEVELOPMENT CORPORATION OF THE SOUTHWEST ("Developer"), a Delaware corporation, is the owner of the following described property situated in Galveston County, Texas, to-wit:

Reserves A, B, C, D, E and F, Block 3, Lots 1, 73, 74, 88, 89, 90, 93, 104, 106, 108, 111, 123, 124, 125, and 128, Block 5, Lot 6, and Block 6, Lots 13 and 46 in Section 1 of Indian Beach, a subdivision in Galveston County, Texas, according to the Plat thereof recorded in Volume 17, Pages 1, 7 and 151 of the Plat Records in the Office of the County Clerk of Galveston County, Texas;

all of the hereinabove described property being hereinafter sometimes referred to as "the Property"; and,

WHEREAS, HOUSTON LIGHTING AND POWER COMPANY ("the Company"), requires certain restrictions concerning the electrical distribution system to be placed on property to be serviced by the Company:

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THAT Developer, acting herein by and through its duly authorized officers, does hereby adopt, establish and impose the following restrictions, covenants and conditions upon the Property, which shall constitute covenants running with the title to the land and shall inure to the benefit of Developer, the Company and their respective successors and assigns, and either of said beneficiaries shall have the right to enforce these restrictions by any available legal process.

RESTRICTIONS, COVENANTS AND CONDITIONS

1. Electrical Distribution System. An underground electric distribution system will be installed in Indian Beach Subdivision, designated herein as Semi-Underground Residential Subdivision, which semi-underground service area embraces all of the lots and Reserves which are platted in Indian Beach Subdivision, at the execution of an agreement between the Company and Developer or thereafter. In the event that there are constructed within the Semi-Underground Residential Subdivision structures containing multiple dwelling units such as townhouses, duplexes or apartments, then the underground service area embraces all of the dwelling units involved. The owner of each lot containing a single dwelling unit or in the case of a multiple dwelling unit structure, the owner/developer, shall, at his or its own cost, furnish, install, own and maintain (all in accordance with the requirements of local governing authorities and the National Electrical Code) the underground service cable and appurtenances from the point of Company's metering at the structure to the point of attachment at Company's installed transformers or energized secondary junction boxes, such point of attachment to be made available by the Company at a point designated by Company at the property line of each lot. The

Company furnishing service shall make the necessary connections at said point of attachment and at the meter. Developer has either by designation on the plat of the Subdivision or by separate instrument granted necessary easements to the Company providing for the installation, maintenance and operation of its electric distribution system and has also granted to the various homeowners reciprocal easements providing for access to the area occupied by and centered on the service wires of the various homeowners to permit installation, repair and maintenance of each homeowner's owned, and installed service wires. In addition, the owner of each lot containing a single dwelling unit, or in the case of a multiple dwelling unit structure the owner/developer, shall at his or its own cost, furnish, install, own and maintain a meter loop (in accordance with the then current standards and specifications of the Company furnishing service) for the location and installation of the meter of Company for each dwelling unit involved. For so long as underground service is maintained in the Semi-Underground Residential Subdivision, the electric service to each dwelling unit therein shall be underground, uniform in character and exclusively of the type known as single phase, 120/240 volt, three wire, 60 cycle, alternating current.

The Company has installed or will install the semi-underground electric distribution system in the Semi-Underground Residential Subdivision at no cost to Developer (except for certain conduits, where applicable, and except as hereinafter provided) upon Developer's representation that the Semi-Underground Residential Subdivision is being developed for residential dwelling units, including homes, and if permitted by the restrictions applicable to such subdivision, townhouses, duplexes and apartment structures, all of which are designed to be permanently located where originally constructed (such category of dwelling units expressly to exclude mobile homes) which are built for sale or rent and all of which multiple dwelling unit structures are wired so as to provide for separate metering to each dwelling unit. Should the plans of the Developer or the lot owners in the Semi-Underground Residential Subdivision be changed so as to permit the erection therein of one or more mobile homes, Company shall not be obligated to provide electric service to any such mobile home unless (a) Developer has paid to the Company an amount representing the excess in cost, for the entire Semi-Underground Residential Subdivision, of the underground distribution system over the cost of equivalent overhead facilities to serve such Subdivision or (b) the owner of each affected lot, or the applicant for service to any mobile home, shall pay to the Company the sum of (1) \$1.75 per front lot foot, it having been agreed that such amount reasonably represents the excess in cost of the semi-underground distribution system to serve such lot or dwelling unit over the cost of equivalent overhead facilities to serve such lot or dwelling unit, plus (2) the cost of rearranging, and adding any electric facilities serving such lot, which arrangement and/or addition is determined by Company to be necessary.

The provisions of the two preceding paragraphs also apply to any future residential development in Reserve(s) shown on the plat of Indian Beach Subdivision, as such plat exists at the execution of the agreement for underground electric service between the Company and Developer or thereafter. Specifically, but not by way of limitation, if a lot owner in a former Reserve undertakes some action which would have invoked the above per front lot foot payment if such action had been undertaken in the Semi-Underground Residential Subdivision, such owner or applicant for service shall pay the Company \$1.75 per front lot foot, unless Developer has paid the Company as above described. The provisions of the two preceding paragraphs do not apply to any future nonresidential development in such Reserve(s).

2. Responsibility of Developer. It is expressly understood and agreed that Developer assumes no obligation, responsibility or liability in the execution of these restrictions, covenants and conditions, and further that any or all duties, responsibilities, maintenance charges, and/or rights contained, established or reserved herein may be assigned, transferred and conveyed to a civic club or similar organization at any time Developer is reasonably assured that said civic club or similar organization is able to function for the benefit of all owners of lots in the Subdivision.

3. Severability. Invalidation of any one of these covenants by judgment or other court order shall in nowise affect any of the other provisions, such other provisions to remain in full force and effect.

4. Headings. All sections and paragraph headings used herein are for convenience only and shall have no efficacy in construing any of the restrictions, covenants and/or conditions herein contained.

5. Amendments of These Restrictions. Any part or all of these covenants, conditions and/or restrictions may not be amended without the express written consent of the Developer and the Company.

6. Supplement to Recorded Restrictions. These Restrictions, Covenants and Conditions are supplemental and in addition to, and not in lieu of Restrictions, Covenants and Conditions dated the 13th day of October 1980, and recorded in Volume 3406, Pages 838 and 848 of the Deed of Trust Records, Galveston County, Texas.

WITNESS the execution hereof this the 8th day of January, 1985.

MITCHELL DEVELOPMENT CORPORATION
OF THE SOUTHWEST

By: [Signature]
Alfred Lehtonen
Vice President

K.W.

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on January 8, 1985, by Alfred Lehtonen, Vice President of MITCHELL DEVELOPMENT CORPORATION OF THE SOUTHWEST, a Delaware corporation, on behalf of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 8th day of January, 1985.

Kathleen Davidson
Notary Public, State of Texas
Name: Kathleen DAVIDSON
My commission expires: 10-11-87

KATHLEEN DAVIDSON
Notary Public in and for State of Texas
My Commission Expires 10/11/87

RETURN TO:
Mitchell Development Corporation of the Southwest
P.O. Box 4000
The Woodlands, Texas 77380
Attention: Monis Smith
STEWART-DUE

003-59-1214

FILED FOR RECORD
JAN 15 9 14 AM '85

Mary Jane Christensen
COUNTY CLERK, GALVESTON COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF GALVESTON
I hereby certify that this instrument was filed on the
date and time stamped herein by me and was duly recorded
in the Official Public Records of Real Property of Galveston
County, Texas, on
JAN 15 1985
Mary Jane Christensen
COUNTY CLERK, GALVESTON COUNTY, TEXAS

