

PRIVATE STREETS DEED

THE STATE OF TEXAS
COUNTY OF GALVESTON

§
§ KNOW ALL MEN BY THESE PRESENTS:
§

THAT, WHEREAS, SOUTH SHORE HARBOUR COMMUNITY ASSOCIATION, INC., a Texas non-profit corporation ("Association"), has been formed for the purposes of owning, operating and maintaining certain property within South Shore Harbour Subdivision, as from time to time constituting the "Community Association Area" (as defined in the "Community Declaration" hereinafter defined) ("Subdivision"), for the use and benefit of the property owners within said Subdivision ("Owners"); and

WHEREAS, SOUTH SHORE HARBOUR DEVELOPMENT, LIMITED, a Texas limited partnership (Grantor herein) in the development of the Subdivision, has created certain private streets which are for the use and benefit of the Owners, and now desires to convey to the ownership of such private streets, subject to the reservations and restrictions hereinafter referred to or contained;

NOW THEREFORE, for and in consideration of the premises and of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, SOUTH SHORE HARBOUR DEVELOPMENT, LIMITED has QUITCLAIMED, and by these presents does QUITCLAIM unto SOUTH SHORE HARBOUR COMMUNITY ASSOCIATION, INC., all of Grantor's right, title and interest in and to the real property situated in Galveston County, Texas being described on Exhibit "A" attached hereto and made a part hereof ("Property") subject to the limitations, restrictions and reservations referred to or contained herein for so long as the Association uses and maintains same as private streets for the Owners in accordance with the terms set forth herein.

TO HAVE AND TO HOLD all of Grantor's right, title and interest in and to the above described Property unto the Association, its successors and assigns subject to the matters herein stated, so that neither Grantor nor its successors or assigns shall have, claim or demand any right or title to the aforesaid Property, premises or appurtenances or any part thereof, provided that if the Association should cease to use or maintain same as private streets for the benefit of the Owners in accordance with the terms set forth herein, and Grantor records a declaration in the Galveston County Real Property Records to that effect, then and in such event, the Property shall again become the property of Grantor.

Provided, however, Grantor reserves for itself and its successors and assigns, with respect to such Property, all rights of Grantor as "Declarant" or as an "Owner" under the "Community Declaration" and/or any Supplemental Declarations affecting any of the Property, or in Grantor's capacity as a "Member" of SOUTH SHORE HARBOUR COMMUNITY ASSOCIATION, INC., as such rights arise in accordance with the Declaration of Restrictions, Covenants and Conditions for South Shore Harbour Community Association, Inc. recorded under County Clerk's File Nos. 8222944 and 8318392 in the Office of the County Clerk of Galveston County, Texas ("Community Declaration") and/or the corporate and organizational documents of such Association, and/or in any of the Supplemental Declarations recorded in the Office of the County Clerk of Galveston County, Texas affecting the above described Property (or any part thereof), all of which rights are hereby expressly reserved in Grantor and excluded and excepted from the foregoing grant and conveyance.

It is further provided that Grantor further reserves for itself and for its successors and assigns a perpetual non-exclusive easement for vehicular and pedestrian access, ingress and egress upon, over and across those portions of the Property shown on any of the plats of the Property or portions thereof as "Admiral Road",

"Masters Drive", "Pinehurst Drive", and/or "Meadow Parkway Drive", as such streets and plats are described on Exhibit "A" of this Deed, and a perpetual non-exclusive easement for vehicular and pedestrian access and travel upon and across said "Admiral Road", and "Masters Drive" and those additional portions of the Property shown on any of the plats of the Property or portions thereof as "Pebble Beach Drive" as such street and plat are described on Exhibit "A" hereof. Such easements shall be fully assignable by Grantor and shall be for the purpose of providing access, ingress and egress between the real property upon which the South Shore Harbour Country Club and/or golf course ("Club") are situated, and the public streets in proximity thereto known as "South Shore Boulevard" and "FM 518" for the benefit of all owners of the Club or any of such real property and of all members, employees, agents, representatives, contractors, guests and invitees of any such owner, and such purposes which are reasonably incident thereto, provided that no such use shall be permitted to the extent that it materially affects the use and enjoyment of the Property as to the Owners under the Community Declaration.

This conveyance is further made and accepted subject to: (i) any and all restrictions, covenants, conditions, easements and rights-of-way, affecting the Property of record in the Official Public Records of Real Property of Galveston County, Texas; (ii) all regulations and ordinances of the City of League City, Texas and/or the County of Galveston, Texas, including but not limited to City of League City Ordinance No. 82-35 and all modifications, replacements, extensions and substitutions of same ("Street Ordinance"); (iii) the rights of parties in possession; (iv) all oil, gas and/or mineral rights and interests, and all leases with respect thereto; and (v) that certain Private Streets Agreement dated April 9, 1992 between the City of League City ("City") and Grantor respecting the Property a copy of which is attached hereto as Exhibit "B", and all modifications, replacements, extensions, replacements and substitutions of same or any other agreement required by the City with respect to the Private Street status of the Property ("Street Agreement").

The Property is hereby expressly restricted for use as private streets for the exclusive use and benefit of the Owners and as permitted or required by the Street Ordinance or the Street Agreement. Grantor reserves to itself the right to erect and maintain signage and fences and other similar structures thereon as may be reasonably acceptable to the Association's Architectural Committee. The Association shall maintain and cause the use of the Property to be in compliance with the Street Agreement, the Street Ordinance and all other ordinances, rules and regulations of the City pertaining to the use or maintenance of streets. No drilling, mining, exploration or development concerning any oil, gas or other minerals shall be permitted on any of the Property.

The Property shall be a part of the Community Association Area, shall be subject to the jurisdiction of the Association, and shall be Common Area and Community Association Properties (as defined in the Community Declaration) for the non-exclusive use and benefit of all Members of the Association. This transfer is made and accepted in accordance with Article VII of the Community Declaration.

Unless otherwise required by the City, the Association shall maintain and preserve, and repair and replace from time to time as necessary, all landscaping and irrigation presently in existence on portions of the rights-of-way component of the Property.

The Association assumes, and agrees to timely and fully perform, all obligations of Grantor under the Street Agreement. The Association and Grantor each agree to provide the other with a copy of all correspondence and documentation received by such party from the City respecting the Street Agreement, and to cooperate

with each other with respect to extensions of the Street Agreement, and modifications thereof as may be permitted or necessitated by changes in City ordinances, including the Street Ordinance. The foregoing agreements shall remain in force for so long as Grantor has any obligation to the City respecting the Property or the Street Agreement.

Grantor hereby additionally retains a blanket easement over, under, upon and across all of the Property for the purposes of performing thereon any and all obligations and actions with respect to the Property as the City may from time to time impose on Grantor or request Grantor to perform in connection with the Street Agreement, and Grantor reserves the right to do all such actions and perform all such obligations should the Association fail to so do upon request of Grantor. The Association agrees that, in the event the Association should fail to perform any act or do any thing requested or required by the City in connection with the Property or the Street Agreement, Grantor shall have the right to do same and to be reimbursed by the Association for all reasonable costs and expenses incurred by Grantor in connection therewith within thirty (30) days after Grantor's written request therefor accompanied by reasonable documentation in support thereof.

The Property has heretofore been improved as private streets, which streets and related improvements received the approval of the City at the time of their completion as being in compliance with City codes and ordinances then in effect. The Association accepts the Property in its present AS-IS condition, WITH ALL FAULTS, if any, and agrees that Grantor does not make, nor has it made, any representation or warranty, express or implied, with respect to the condition of such streets and improvements, including but not limited to warranties of fitness for a particular purpose, or of merchantability, all such warranties being expressly denied by Grantor.

By its acceptance of this Deed, the Association agrees to execute and deliver to Grantor such other and further instruments as reasonably requested by Grantor in order to effectuate the easements reserved by this Deed, including but not limited to agreements clarifying and providing a more particularized legal description of the property to which the easements apply and/or which benefit from any of the easements.

EXECUTED this the 29th day of September, 1992.

SOUTH SHORE HARBOUR DEVELOPMENT,
LIMITED, a Texas limited partnership

BY: ANREM Corporation,
General Partner

By: Michael W. McCroskey
Michael W. McCroskey,
President

ACCEPTED AND AGREED:

South Shore Harbour Community
Association, Inc.

By: James H. Kennedy
Name: James H. Kennedy
Title: Vice-President

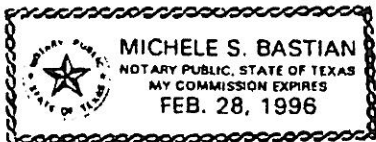
008-45-1937

STATE OF TEXAS §

COUNTY OF GALVESTON §

This instrument was acknowledged before me on this the 20th day of September, 1992 by Michael W. McCroskey, President, of ANREM Corporation, General Partner of South Shore Harbour Development, Limited, a Texas limited partnership, by and on behalf of said partnership.

Michele S. Bastian
NOTARY PUBLIC in and for
the State of Texas

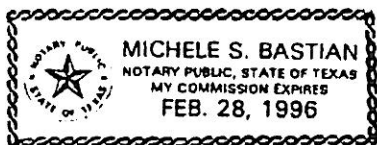


STATE OF TEXAS §

COUNTY OF GALVESTON §

This instrument was acknowledged before me on this the 29th day of September, 1992 by James H. Kennedy, Vice President, of South Shore Harbour Community Association, Inc., by and on behalf of said association.

Michele S. Bastian
NOTARY PUBLIC in and for
the State of Texas



GRANTEE'S ADDRESS:

c/o Parker Management Company
Two Greenway Plaza, Suite 600
Houston, Texas 77046

AFTER RECORDING RETURN TO:

Greer, Herz & Adams
One Moody Plaza, 14th Floor
Galveston, Texas 77550
ATTN: Debra G. James

RECORDED

EXHIBIT "A"

1. Those certain streets shown as "Masters Drive", "Admiral Road", "Ryder Court", "Bent Tree Trail", "Doral Court", "St. Andrews Place", "Fra Mauro Court", "Fra Mauro Drive", and "Sea Pines Place" on plat of South Shore Harbour Section One recorded in Volume 17, Pages 45-48 in the Map Records in the Office of the County Clerk of Galveston County, Texas;
2. That certain "Private Street" shown as "Oakmont Court" on the plat of South Shore Harbour Golf Course Patio Homes Phase One recorded in Volume 17, Pages 127-128 in the Map Records in the Office of the County Clerk of Galveston County, Texas;
3. That certain street shown as "Masters Court" on plat of South Shore Harbour Golf Course Townhomes Phase I recorded in Volume 17, Pages 56-57 in the Map Records in the Office of the County Clerk of Galveston County, Texas;
4. That certain unnamed twenty-five foot (25') wide "private access right of way" shown on plat of South Shore Harbour Section One Reserve "E" recorded in Volume 18, Page 176 in the Map Records in the Office of the County Clerk of Galveston County, Texas;
5. Those certain twenty-five foot (25') wide private access rights of way shown as "Dunes Drive" and "Sawgrass Drive" on the plat of South Shore Harbour Section One Reserve "F" recorded in Volume 18, Page 197 in the Map Records in the Office of the County Clerk of Galveston County, Texas;
6. Those certain streets shown as "Pebble Beach Drive", "Shoal Creek Drive", "Merion Drive", "Prestwick Drive", "Turnberry Drive", "Troon Drive", "Dornoch Drive", "Murfield Drive", "Olympic Drive", "Firestone Court", and "Firestone Drive" on the plat of South Shore Harbour Section Three, a subdivision in Galveston County, Texas, recorded in Volume 18, Pages 59-61 of the Map Records in the Office of the County Clerk of Galveston County, Texas;
7. Those certain streets shown as "Southern Hills Drive", "Gleneagles Drive", "Colonial Drive", "Canterbury Drive", "Riviera Drive", and "Oak Hill Circle" on the plat of South Shore Harbour Section Four, a subdivision in Galveston County, Texas recorded in Volume 18, Page 170 of the Map Records in the Office of the County Clerk of Galveston County, Texas;
8. Those certain streets shown as "Pebble Beach Drive", "Oakmont Court", "Broadmoor Drive", "Broadmoor Court", "Spy Glass Drive", "Cherry Hills Drive", "Winged Foot Drive", "Meadow Parkway Drive", "Augusta Drive" and "Royal Oaks Drive" on the plat of South Shore Harbour Section Five, a subdivision in Galveston County, Texas recorded in Volume 18, Pages 109-111 in the Map Records in the Office of the County Clerk of Galveston County, Texas;
9. Those certain streets shown as "Bay Hill Drive", "Pleasant Valley Drive", "Rosswood Drive", "Brookhaven Drive", and "Kemper Drive" on the plat of South Shore Harbour Section Eight, a subdivision in Galveston County, Texas, recorded in Volume 18, Page 145 of the Map Records in the Office of the County Clerk of Galveston County, Texas;
10. Those certain streets shown as "Admiral Road", "Greenville Drive", "Waverly Drive", "Concord Drive", "Milburn Drive", "Pinnacle Drive", "Concord Circle", and "Warwick Drive" on the plat of South Shore Harbour Section Nine, a subdivision in Galveston County, Texas, recorded in Volume 18, Pages 207-208 in the Map Records of the Office of the County Clerk of Galveston County, Texas;

11. Those certain streets shown as "Pinehurst Drive", "Riverside Drive", "Lakeway Drive", and "Walnut Creek Drive" on the plat of South Shore Harbour Section Ten, a subdivision in Galveston County, Texas, recorded in Volume 18, Page 188 in the Map Records of the Office of the County Clerk of Galveston County, Texas; and
12. All rights of way for streets and roadways shown on any of the plats described in items 1 through 11 above with respect to any of the private streets described in items 1 through 11 above.

PRIVATE STREETS AGREEMENT

WHEREAS, SOUTH SHORE HARBOUR DEVELOPMENT, LIMITED is an entity (the "Developer") which has constructed certain private streets described on Exhibit "A" attached hereto ("Private Streets") in the City of League City (the "City") with the prior approval of the City and is requesting the entering into of a Private Streets Agreement pursuant to the terms of Ordinance No. 82-35 ("Ordinance"); and

WHEREAS, the City is familiar with the condition of such streets, and finds them to be constructed and maintained in accordance with City Codes; and

WHEREAS, the City of League City therefore believes that it is appropriate to enter into such agreement with the Developer in accordance with the terms of Ordinance No. 82-35; and that therefore the parties herein agree to the following:

The Developer herein agrees specifically to abide by the Rules, Regulations, Codes and Ordinances of the City of League City with respect to the Private Streets, as well as by Ordinance No. 82-35 and 91-99, to include, but not be limited to, the following:

- a. that the Developer conveys to the City the necessary non-exclusive easements and rights-of-way over the Private Streets so that the City may provide fire and police protection, sewer, water and other normal and usual municipal services to the citizens of the City and the County of Galveston located adjacent to and nearby such Private Streets;
- b. that the Developer shall maintain the surface and condition of such Private Streets in accordance with City specifications so as to permit the City to use its easements and rights-of-way over such Private Streets in a reasonably safe and convenient manner. Should the Developer fail to provide the required standard of maintenance after first being given written notice of the nature of such failure and a reasonable time thereafter (not to exceed 90 days) to cure such failure, the City shall have the right to remedy such failure and receive reimbursement from the Developer for the actual cost thereof;
- c. that the Developer shall not hold the City or any of its personnel or City-licensed franchisees to be guilty of trespass in regard to the use of its easements and rights-of-way as defined herein;
- d. that the Developer shall not alter, block or vacate such Private Streets so as to interfere with or prevent the City from providing the municipal services referred to

herein. However, the Developer may close such Private Streets for short periods of time on an occasional basis so as to prevent the public dedication of such Private Streets and may erect signs identifying the private nature of such Private Streets;

- e. that the Developer shall be responsible for the maintenance of all service pipes and hydrants on such Private Streets as are required by the operating procedures of the City;
- f. that the Developer shall make arrangements to be agreed to with the City regarding the maintenance of street lighting along the Private Streets;
- g. that the Developer will post speed signs in accordance with Ordinance 91-99.

This Agreement shall become effective upon its ratification by the City Council of the City and its execution by the parties hereto, and shall be subject to review every five (5) years from the date of the passage of the ordinance approving this agreement.

This Agreement, and the obligations of Developer hereunder, may, upon the written consent of the Mayor, be transferred and assigned to an owner's association charged with the enforcement of deed restrictions imposed or to be imposed on the Private Streets and on the residential lots and common areas primarily served by the Private Streets ("Association"). Such transfer and assignment shall be effective upon written approval by the City, and the execution by the Association of a deed or other instrument respecting the Private Streets pursuant to which the Association assumes this Agreement and Developer's obligations hereunder. A copy of the assumption agreement, deed restrictions and a statement of the financial responsibility of the owner's association shall be forwarded to the City for its review and comment prior to the City's approval of the assumption. Upon such transfer, assignment and assumption, the term "Developer" herein shall be deemed to refer to the Association. It is provided, however, in the event of such an assignment, that, until December 14, 1994, if the Association shall fail to perform any of the obligations hereunder assumed by it after the expiration of any notice and cure period provided herein, the Developer shall, after written notice of such failure from the City specifying the obligations not so performed, perform, or cause to be performed, such obligations at no cost or expense to the City.

008-45-1942

SIGNED on this the 11th day of June, 1992.

CITY OF LEAGUE CITY, TEXAS

Joe L. Lamb
JOE L. LAMB, Mayor

ATTESTED:

Norma O. Rodriguez
NORMA O. RODRIGUEZ,
City Secretary

DEVELOPER:

SOUTH SHORE HARBOUR DEVELOPMENT,
LIMITED, a Texas limited partnership

BY: ANREM Corporation,
General Partner

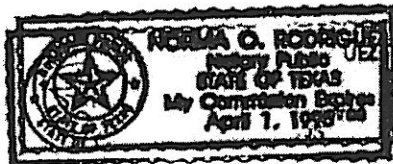
By: Michael W. McCroskey
Name: Michael W. McCroskey
Title: President

STATE OF TEXAS §

COUNTY OF GALVESTON §

This instrument was acknowledged before me on this the 11th
day of June, 1992, by Joe L. Lamb, Mayor of City of League
City, Texas.

Norma O. Rodriguez
NOTARY PUBLIC in and for
the State of Texas

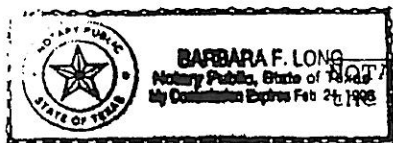


008-45-1943

STATE OF TEXAS §

COUNTY OF GALVESTON §

This instrument was acknowledged before me on this the 12th
day of June, 1992, by Norma O. Rodriguez, City Secretary
of City of League City, Texas.



Barbara F. Long

NOTARY PUBLIC in and for
the State of Texas

STATE OF TEXAS §

COUNTY OF GALVESTON §

This instrument was acknowledged before me on this the ____
day of _____, 1992, by Michael W. McCroskey
President of ANREM Corporation, General Partner of South
Shore Harbour Development, Limited, a Texas limited partnership, by
and on behalf of said partnership.

NOTARY PUBLIC in and for
the State of Texas

EXHIBIT "A"

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008-45-1945

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FILED FOR RECORD

92 OCT -1 AM 10:49

GALVESTON COUNTY, TEXAS

DO NOT WRITE IN THESE SPACES
4008 (1) (CCT)

STATE OF TEXAS COUNTY OF GALVESTON
I hereby certify that this instrument was filed
on the date and time stamped hereon by me and
was duly recorded in the Official Public Records
of Real Property of Galveston County Texas, on

OCT 1 1992



Jessie G. Kirkendall
COUNTY CLERK
GALVESTON CO., TEXAS