

5
12

**DEED
(Without Warranty)**

STATE OF TEXAS §
 § **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF MONTGOMERY §

That, FOS & J INC., D/B/A GRAND HARBOR, a Texas corporation, hereinafter called "GRANTOR", for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) cash and other good and valuable consideration to GRANTOR in hand paid by the GRAND HARBOR PROPERTY OWNER'S ASSOCIATION, INC., a Texas non-profit corporation, hereinafter called "GRANTEE", the receipt and sufficiency of which is hereby acknowledged and confessed, has GRANTED, BARGAINED, SOLD, AND CONVEYED, and by these presents does GRANT, BARGAIN, SELL AND CONVEY unto the said GRANTEE, all of that certain real property together with all appurtenances and improvements situated thereon and rights with respect thereto, specifically the "Streets" as described in attached Exhibit "A", made a part hereof, located in Montgomery, Texas (hereinafter referred to as the "Property").

THIS CONVEYANCE is made and the Property is accepted as is and with all faults, and subject to all valid and existing restrictions, rights-of-way, mineral and royalty reservations, zoning laws, ordinances of municipal or governmental authorities and conditions and covenants, if any, applicable to and enforceable against the Property, of record in the Office of the County Clerk of Montgomery County, Texas.

TO HAVE AND TO HOLD with all and singular, the rights and appurtenances thereto in anywise belonging unto said GRANTEE, GRANTEE'S successors and assigns forever. As a material part of the consideration for this Deed Without Warranty, GRANTOR and GRANTEE agree that GRANTEE is taking the Property "AS IS" with any and all latent and patent defects and that there is no warranty by GRANTOR that the Property is fit for a particular purpose. GRANTEE acknowledges that it is not relying upon any representation, statement or other assertion with respect to the Property condition, but is relying upon its examination of the Property. GRANTEE takes the Property under the express understanding there are no warranties.

THIS CONVEYANCE IS MADE SUBJECT TO:

1. All easements, restrictions, building set-back lines and other matters appearing of record in Montgomery County, Texas, and affecting the Property or any part thereof.
2. GRANTOR'S retention of an easement for ingress and egress across, under and over the Property.
3. The agreement by and between GRANTOR and GRANTEE that ad valorem taxes on the Property for the calendar year 2007 and all successive years are hereby assumed by GRANTEE. Any roll back taxes assessed as a result of change in use of the Property shall be borne by GRANTEE.

4. GRANTOR'S retention of the right to grant additional easements without the joinder of GRANTEE.
5. GRANTOR'S retention of all minerals rights in, on, and under the Property, however, GRANTOR hereby waives it's rights to utilize the surface of the Property for mineral exploration or production.
6. GRANTEE'S permitted use of the Property shall be for use as streets only for the benefit of Grand Harbor residents, their guests and invitees. Such use may not be changed.

GRANTEE agrees that this conveyance is subject to the following additional restrictions all of which are additional consideration for the transfer of the Property.

1. GRANTEE agrees not to further transfer the Property of any portion of it without the consent of GRANTOR or its successors or assigns.
2. GRANTEE agrees to maintain the Property for the benefit of the residents of Grand Harbor and their guests and invitees.
3. If GRANTEE fails to maintain the Property, GRANTOR may enter upon the Property to conduct such required maintenance and GRANTEE agrees to reimburse GRANTOR for any cost of such maintenance upon presentment of an invoice. However, GRANTOR shall not begin any maintenance until it has provided GRANTEE with 10 days notice of GRANTEE'S default in providing the required maintenance. After providing the required 10 days notice GRANTOR may enter and perform the required maintenance at the cost of GRANTEE. Further, GRANTEE agrees to indemnify and hold harmless GRANTOR for any routine maintenance of the Property until the later of August 1st, 2008 or until Montgomery County releases any security posted by GRANTOR for the Streets, and for all repairs thereafter.
4. GRANTEE and GRANTOR acknowledge that GRANTOR is responsible for the correction of any construction defects until the later of August 1st, 2008 or until Montgomery County releases any security posted by GRANTOR for the Streets, and thereafter any obligation for repair regardless of the cause shall be the responsibility of the GRANTEE. A construction defect shall be defined as a defect identified by Montgomery County which must be repaired as a condition precedent to the releasing of any security posted by GRANTOR as to the construction of the roadways. Once Montgomery County releases any security posted by GRANTOR, GRANTOR will no longer have any duty to perform any repairs of the Property.

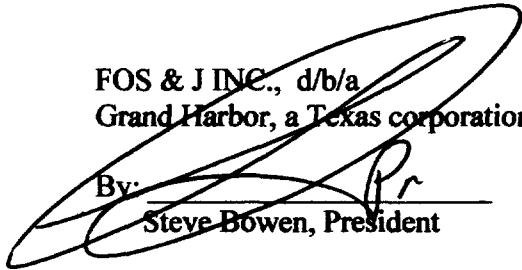
TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THIS DEED IS MADE AND ACCEPTED (A) WITHOUT RECOURSE ON GRANTOR AND (B) WITHOUT REPRESENTATION AND WARRANTY OF ANY KIND (WHETHER EXPRESS, IMPLIED OR STATUTORY) BY GRANTOR. GRANTOR IS CONVEYING THE PROPERTY COVERED BY THIS DEED ON AN "AS IS, WHERE IS" BASIS, WITH ALL FAULTS, AND WITHOUT REPRESENTATION OR WARRANTY (ALL OF WHICH GRANTOR DISCLAIMS).

Grantee joins in the execution of this Deed Without Warranty to evidence its acceptance of the restrictions and terms and conditions of the transfer.

EXECUTED this the 11th day of July, 2007.

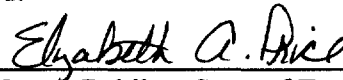
GRANTOR:

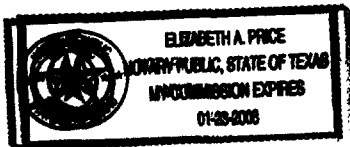
FOS & J INC., d/b/a
Grand Harbor, a Texas corporation

By: 
Steve Bowen, President

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

THIS INSTRUMENT was acknowledged before me on the 11th day of July 2007 by Steve Bowen, the President of FOS & J INC., a Texas corporation, known by me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein expressed.


Notary Public – State of Texas



ACCEPTED this the 11th day of July, 2007.

GRANTEE:

Grand Harbor Property Owners Association, Inc., a Texas non-profit corporation

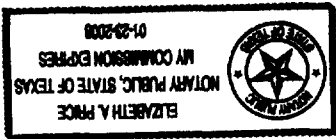
By: Narry Young Pres
Print Name: Narry Young
Title: President

Address of Grantee:
15450 Walden Rd.
Montgomery, Texas 77356
Montgomery County

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

THIS INSTRUMENT was acknowledged before me on the 11th day of July 2007, by Narry Young, the President of Grand Harbor Property Owner's Association, Inc, a Texas non-profit corporation, on behalf of the said corporation.

Elizabeth A. Price
Notary Public – State of Texas



R:\REAL\HOA\GrandHarbor-Dev\Reserves\Deed-GH Sec 10.doc

After Recording Return To:

Marc D. Markel
Roberts Markel Bale P.C.
2800 Post Oak Blvd., 57th Floor
Houston, Texas 77056

EXHIBIT "A"

Streets

That portion of Grand View Drive shown as a 60' ROW Private street located in Grand Harbor Section Ten, according to the plat thereof recorded under Clerk's File No. 2005-042821 in the map records of Montgomery County.

NOTE: The property being conveyed herein is additionally restricted in its use as provided on the plat or other recorded document.

RECORDER'S MEMORANDUM:

At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All black-outs, additions and changes were present at the time the instrument was filed and recorded.

FILED FOR RECORD

07 JUL 11 PM 4:02

Mark Turnbull
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

I hereby certify this instrument was filed in File Number Sequence on the date and at the time stamped herein by me and was duly RECORDED in the Official Public Records of Real Property at Montgomery County, Texas.

JUL 11 2007



Mark Turnbull
County Clerk
Montgomery County, Texas