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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR GREAT OAKS AT BRUSHY CREEK TOWN HOMES, A CONDOMINIUM REGIME

This is a Declaration of Covenants, Conditions, and Restrictions for Great Oaks at Brushy Creek Town Homes, a Condominium Regime is made and entered into the 10¹⁵ day of January, 2020, by Reshetar, Inc. (the "Declarant"), whose mailing address is 13420 Lyndhurst Street Apt. 408, Austin, Texas 78729.

RECITALS

- 1. Declarant is the owner of all of the real property, including the land; all improvements and structures on the property; and all easements, rights, and appurtenances belonging to the property that is located in that certain tract of land described as Lots 48, 49, and 50, Block D, Brushy Creek Village Section Two, a subdivision in Williamson County, Texas, according to the map or plat recorded in Cabinet O, Slides 208-210 of the Plat records of Williamson County, Texas, which is attached hereto and incorporated by reference herein (the "Property").
- 2. Declarant submits the Property to a condominium regime established by the Texas Uniform Condominium Act (the "Act"), which is codified in Chapter 82 of the Texas Property Code.
- 3. The Property constitutes a condominium project (the "Project") within the meaning of the Act. The formal name of the Project is GREAT OAKS AT BRUSHY CREEK TOWN HOMES, a condominium regime.
- 4. Declarant intends and desires to establish by this Declaration a plan of ownership for the Project. The plan consists of individual ownership of residential dwelling units (the "Unit(s)") and other areas. The Project will consist of thirty (30) residential units, one (1) commercial unit, and common area facilities on the Property.
- 5. Declarant intends to impose on the Project mutually beneficial restrictions for the benefit of all Units and the persons who own those Units. Declarant further intends, in accordance with the terms set forth herein, that the Owners will govern the Project by means of an organization of Owners (herein the "Association"), as more particularly set forth herein.

THEREFORE, Declarant declares that the Project is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, and improved subject to the following covenants, conditions, and restrictions, all of which are declared and agreed to be in furtherance of a plan for the improvement of the Property, and the division of the Property into Units, and all of which are established and agreed on for the purpose of enhancing and perfecting the value, desirability, and attractiveness of the Project and every part of the Project. All of the covenants, conditions, and restrictions shall run with the Property and shall be binding on all parties having or acquiring any right, title, or interest in any part of the Property and shall be for the benefit of each Owner of the Project or any interest in the Project and shall inure to the benefit of and be binding on each successor in interest of the Owners.

Article I. Definitions

Unless otherwise defined in this Declaration, defined below, terms defined in Section 82.003 of the Act have the same meaning when used in this Declaration.

- 1.01 "Act" means Chapter 82 of the Texas Property Code, the Texas Uniform Condominium Act, as it may be amended from time to time.
- 1.02 "Association Manual" means the association manual, if any, which may be initially adopted and recorded by the Declarant as part of the initial project documentation for the Regime. The Association Manual may include the Bylaws and Rules and policies governing the Association. The Association Manual may be amended, from time to time, by a Majority of the Board. Nothing in the foregoing shall modify or supersede the rights and restrictions set forth in the Bylaws, Rules or this Declaration.
- 1.03 "Applicable Law" means the statutes and public laws and ordinances in effect at the time a provision of the Documents is applied, and pertaining to the subject matter of the Document provision.
- 1.04 "Architectural Control Committee" or "ACC" means the "Board" under this Declaration, unless such rights are transferred to an independent board appointed by the "Board".
- 1.05 "Assessment" means any charge levied against a Unit or Owner by the Association, pursuant to this Declaration, the Act, or Applicable Law, including but not limited to Regular Assessments for residential Unit, Regular Assessments for commercial Unit, and Special Assessments as defined in Article 4 of this Declaration.
- 1.06 "Association" means Great Oaks at Brushy Creek Condominium Association, Inc., a Texas non-profit corporation, the Members of which shall be the Owners of Units within the Regime. The failure of the Association to maintain its corporate charter from time to time does not affect the existence or legitimacy of the Association, which derives its authority from this Declaration, the Certificate, the Bylaws, and the Act.
- 1.07 "Board" means the Board of Directors of the Association.
- 1.08 "Building" means a residential dwelling constructed around six (6) Units, including, but not limited to, the roof and exterior masonry as shown on Exhibit B.
- 1.09 "Bylaws" means the bylaws of the Association, as they may be amended from time to time.
- 1.10 "Certificate" means the Certificate of Formation of the Association filed in the Office of the Secretary of State of Texas, as the same may be amended from time to time.
- 1.11 "Common Element" or "General Common Elements" means all portions of the Property save and except the Units and those elements that have been allocated as "Limited Common Elements" by this Declaration. General Common Elements refer to those portions of the Property that are designated as "GCE", "General Common Element", "General Common Area", "Common Area", or by the notation "General Common Elements", "GCE", "General Common Area", "Common Area", or "Common Areas" on Exhibit B, attached hereto. The roof of each town home residence shall be considered a General Common Element for purposes of this Declaration.
- 1.12 "Common Expenses" means the expenses incurred or anticipated to be incurred by the Association for the general benefit of the Regime, including but not limited to those expenses incurred for the maintenance, repair, replacement and operation of the Common Elements.
- 1.13\ "Commercial Tenant" means a tenant of the Commercial Unit.
- 1-14/ "Declarant" means RESHETAR, INC., a Texas corporation.

- 1.15 "Declarant Control Period" means that period of time during which Declarant controls the operation and management of the Association. The duration of Declarant Control Period is from the date this Declaration is recorded for a maximum period not to exceed one hundred and twenty (120) days after title to seventy-five percent (75%) of the Units that may be created hereunder have been conveyed to Owners other than Declarant.
- 1.16 "Declaration" means this document, as it may be amended from time to time.
- 1.17 "Encumbrances" those described on Exhibit F, attached hereto.
- 1.18 "Improvement" means every structure and all appurtenances of every type and kind, whether temporary or permanent in nature, including, but not limited to, Buildings, butbuildings, storage sheds, patios, recreational facilities, swimming pools, garages, driveways, parking areas and/or facilities, storage buildings, sidewalks, fences, gates, screening walls, retaining walls, stairs, patios, decks, walkways, landscaping, mailboxes, poles, signs, antennae, exterior air conditioning equipment or fixtures, exterior lighting fixtures, water softener fixtures or equipment, and poles, pumps, wells, tanks, reservoirs, pipes, lines, meters, antennas, towers and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities.
- 1.19 "Limited Common Elements", if any, mean those portions of the Property reserved for the exclusive use of one or more Owners to the exclusion of other Owners. Limited Common Elements are designated as "LCE", or "Limited Common Elements", or "Limited Common Areas" on Exhibit B, attached hereto and as provided in Section 3.03 of this Declaration.
- 1.20 "Majority" means more than 50%.
- 1.21 "Member" means a member of the Association, each Member being an Owner of a Unit, unless the context indicates that member means a member of the Board or a member of a committee of the Association.
- 1.22 "Mortgage" or "Mortgages" means any mortgage(s) or deed(s) of trust covering any portion of the Property to secure the payment of a debt.
- 1.23 "Mortgagee" or "Mortgagees" means the holder or holders of any Mortgage or Mortgages.
- 1.24 "Owner" means a holder of fee simple title to a Unit. Declarant is the initial Owner of all Units. Mortgagees who acquire title to a Unit through a deed in lieu of foreclosure or through judicial or non-judicial foreclosure are Owners. Every Owner is a Member of the Association.
- 1.25 "Person" shall mean any individual or entity having the legal right to hold title to real property.
- 1.26 "Plat and Plans" means the plat and plans attached hereto as Exhibit B, as changed, modified, or amended in accordance with this Declaration.
- 1.27 "Regime" means the Property, the Units, General Common Elements, and Limited Common Elements that comprise the condominium regime established under this Declaration.
- 1.28 "Resident" means an occupant or tenant of a Unit, regardless of whether the person owns the Unit.

- 1.29 "Rules" means rules and regulations of the Association adopted in accordance with the Documents or the Act. The initial Rules may be adopted by Declarant for the benefit of the Association. After the Declarant Control Period, the Board may adopt or amend the Rules.
- 1.30 "Unit" means each physical portion of the Property designated by this Declaration for separate ownership, the boundaries of which are shown on the Plat and Plans attached hereto as Exhibit B and as further described in Section 3.03 of this Declaration. As set forth above, there are 30 Residential Units and 1 Commercial Unit.
 - (a) "Residential Unit" means a Unit designated as a residential unit on Exhibit-B.
 - (b) "Commercial Unit" means a Unit designated as a commercial unit on Exhibit B.

Article II. The Property

- 2.01 Property Subject to Declaration. All the real property described in Exhibit "A" to this Declaration, including the land; all improvements and structures on the Property; and all easements, rights, and appurtenances belonging to the Property shall be subject to this Declaration.
- 2.02 Exclusive Ownership and Possession. Each Owner shall be entitled to the exclusive ownership and possession of the Owner's Unit. Any Unit may be jointly or commonly owned by more than one Person. No Unit may be subdivided. An Owner shall not be deemed to own the utilities running through the Owner's Unit that are utilized for or serve more than one Unit, except as a tenant in common with the other Owners.
- 2.03 Adjacent Land Use. Declarant makes no representations of any kind as to current or future uses, actual or permitted, of any land that is adjacent to or near the Property.
- 2.04 Common Elements. The Common Elements of the Property consist of all of the Property, save and except the Units. The Declarant may install, construct, or authorize certain Improvements on Common Elements in connection with the development of the Property, and the cost thereof is not a Common Expense of the Association. Thereafter, all costs attributable to Common Elements, including maintenance, insurance, and enhancements, are automatically the responsibility of the Association, unless this Declaration elsewhere provides for a different allocation for a specific Common Element.
- 2.05 Partition of Common Elements. The Common Elements, both General and Limited, shall remain undivided and shall not be the object of an action for partition or division of ownership so long as the Property remains a Condominum Project. In any event, all mortgages must be paid prior to the bringing of an action for partition or the consent of all mortgagees must be obtained.
- 2.06 Easement of Cooperative Support. Each Owner is granted an easement of cooperative support over adjoining Units and Common Elements as needed for the common benefit of the Property, or for the benefit of Units, or Units that share any aspect of the Property that requires cooperation. By accepting an interest in or title to a Unit, each Owner: (i) acknowledges the necessity for cooperation in a condominium; (ii) agrees to try to be responsive and civil in communications pertaining to the Property and to the Association; (iii) agrees to provide access to his Unit and Limited Common Elements when needed by the Association to fulfill its duties; and (iv) shall refrain from actions that interfere with the Association's maintenance and operation of the Property

- 2.07 Association's Access Easement. Each Owner, by accepting an interest in or title to a Unit, whether or not it is so expressed in the instrument of conveyance, grants to the Association an easement of access and entry over, across, under, and through the Property, including without limitation, all Common Elements and the Owner's Unit and all Improvements thereon for the following purposes:
 - (a) To perform inspections and/or maintenance that is permitted or required of the Association by this Declaration or by Applicable Law;
 - (b) To perform maintenance that is permitted or required of the Owner by this Declaration or by Applicable Law, if the Owner fails or refuses to perform such maintenance;
 - (c) To enforce this Declaration;
 - (d) To exercise self-help remedies permitted by this Declaration or by Applicable Law;
 - (e) To respond to emergencies; and
 - (f) To perform any and all functions or duties of the Association as permitted or required by the Documents or by Applicable Law.
- 2.08 Other Easements. The Association may grant to third parties easements in, on, and over the Common Elements for the purpose of constructing, installing, or maintaining necessary utilities and services. Each Owner, in accepting the deed to the Unit, expressly consents to such easements. No such easement may be granted, however, if it would interfere with any exclusive easement or with any Owner's use, occupancy, or enjoyment of the Owner's Unit.
- Security. THE ASSOCIATION MAY, BUT IS NOT OBLIGATED TO, MAINTAIN OR SUPPORT CERTAIN ACTIVITIES WITHIN THE PROPERTY DESIGNED, EITHER DIRECTLY OR INDIRECTLY, TO IMPROVE SAFETY IN OR ON THE PROPERTY. EACH OWNER AND RESIDENT ACKNOWLEDGES AND AGREES, FOR HIMSELF AND HIS GUESTS, THAT DECLARANT, THE ASSOCIATION, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES ARE NOT PROVIDERS, INSURERS, OR GUARANTORS OF SECURITY WITHIN THE PROPERTY. EACH OWNER AND RESIDENT ACKNOWLEDGES AND ACCEPTS HIS SOLE RESPONSIBILITY TO PROVIDE SECURITY FOR HIS OWN PERSON AND PROPERTY, AND ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO SAME. EACH OWNER AND RESIDENT FURTHER ACKNOWLEDGES THAT DECLARANT, THE ASSOCIATION, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS THE OWNER OR RESIDENT RELIED ON ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE, BURGLARY, AND/OR INTRUSION SYSTEMS RECOMMENDED OF INSTALLED, OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTY. EACH OWNER AND RESIDENT ACKNOWLEDGES AND AGREES THAT DECLARANT, THE ASSOCIATION, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITIEES, AGENTS, AND EMPLOYEES MAY NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN.
- 2.10 Injury to Person or Property. NEITHER THE DECLARANT, THE ASSOCIATION, NOR THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES HAVE A DUTY OR OBLIGATION TO ANY OWNER, RESIDENT OR THEIR GUESTS: (A) TO SUPERVISE MINOR CHILDREN OR ANY OTHER PERSON; (B) TO FENCE OR OTHERWISE ENCLOSE ANY LIMITED COMMON ELEMENT, GENERAL COMMON ELEMENT, OR OTHER IMPROVEMENT; OR (C) TO PROVIDE SECURITY OR PROTECTION TO ANY OWNER, RESIDENT, OR THEIR GUESTS, EMPLOYEES, CONTRACTORS, AND INVITEES FROM HARM OR LOSS. BY ACCEPTING TITLE TO A UNIT. EACH OWNER AGREES THAT THE

LIMITATIONS SET FORTH IN THIS SECTION 2.10 ARE REASONABLE AND CONSTITUTE THE EXERCISE OF ORDINARY CARE BY THE ASSOCIATION AND DECLARANT. EACH OWNER AGREES TO INDEMNIFY AND HOLD HARMLESS THE ASSOCIATION AND DECLARANT, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES FROM ANY CLAIM OF DAMAGES, TO PERSON OR PROPERTY ARISING OUT OF AN ACCIDENT OR INJURY IN OR ABOUT THE REGIME TO THE EXTENT AND ONLY TO THE EXTENT CAUSED BY THE ACTS OR OMISSIONS OF SUCH OWNER, RESIDENT OR THEIR GUESTS, EMPLOYEES, CONTRACTORS, OR INVITEES TO THE EXTENT SUCH CLAIM IS NOT COVERED BY INSURANCE OBTAINED BY THE ASSOCIATION AT THE TIME OF SUCH ACCIDENT OR INJURY.

2.11 Association's Easement for Yard Maintenance on Units. The Association will cause to be provided Landscape Services to the Yard Space of each Unit and, accordingly, the Association is hereby granted an easement over and across each Unit to the extent reasonably necessary or convenient for the Association or its designated landscaping contractor to perform the Landscape Services within the Yard Space of such Unit. The Board, in its sole discretion, shall define the scope and level of Landscape Services to be provided under this Section. If the Association damages any Improvements located within a Unit in exercising the easement granted hereunder, the Association will be required to restore such improvements to substantially the same condition which existed prior to any such damage, at the Association's expense, within a reasonable period of time not to exceed thirty (30) days after the date the Association or its designated landscape company may, from time to time, provide each Owner of a Unit with a schedule of dates on which the Landscape Services will be performed.

Article III. Units, Limited Common Elements, Allocations and Disclosures

- 3.01 Units. The Regime includes 30 Residential Units and 1 Commercial Unit.
- 3.02 Streets, Driveways and Parking Areas. Unless otherwise designated as Limited Common Elements assigned exclusively to a single Unit, or included within the boundary of a Unit, streets, driveway, and parking areas within the Property are maintained and administered by the Association. If a portion of a street, driveway, or parking area is designated as Limited Common Elements for the exclusive use of a single Unit, such street, driveway, or parking area is maintained and repaired by the Owner(s) to which such Limited Common Elements have been assigned. If a portion of a street, driveway, or parking area is included within the boundaries of a Unit, the Owner of the Unit is responsible for maintenance and repair. All other streets, driveways, and parking areas are maintained and repaired by the Association with the costs incurred by the Association discharged through Regular Assessments levied against Unit Owners in proportion to the Common Expense Liability assigned to each Unit in accordance with Section 3.06 below. No street, driveway, or parking area within the Property will be maintained or repaired by Williamson County. Residents shall be required to park inside the garage and/or on the driveway of a Unit. Guests of Residents shall park either in the garage or driveway of a Unit or in the designated guest parking area.
- 3.03 Units.
 - (a) Unit Boundaries. The boundaries and identifying number of each Unit are shown on the Plat and Plans attached hereto as Exhibit B. Ownership of a Unit includes the foundation, and all other Improvements located within the Unit. A Unit does not include the roof.
 - What a Unit Includes. Each Unit includes the spaces and Improvements described on Exhibit B, including without limitation, the foundation of the Unit, landscaping, driveways, sidewalks,

yards, utility lines and meters and all other Improvements located within the Unit. In addition to the Improvements within the Unit, each Unit also includes Improvements, fixtures, and equipment serving the Unit exclusively, whether located within, outside, or below the Unit, whether or not attached to or contiguous with the Building, including but not limited to any below-grade foundation, piers, retaining walls, fence, or other structural supports; plumbing, septic, and utility lines, pipes, drains, and conduits; and any other below-grade item that serves or supports the Unit exclusively. The Unit also includes the grinder pump which services the Unit solely. The Owner of a Unit shall be responsible for maintaining its grinder pump.

- (c) Commercial Unit Boundary. Notwithstanding the foregoing, as described on Exhibit B, the boundaries of the Commercial Unit includes Improvements, fixtures, and equipment serving the Unit exclusively, whether located within, outside, or below the Unit, whether or not attached to or contiguous with the Unit, including but not limited to the roof, any below-grade foundation, piers, retaining walls, fence, or other structural supports; plumbing, septic, and utility lines, pipes, drains, and conduits; and any other below-grade item that serves or supports the Unit exclusively.
- 3.04 Designation and Allocation of Limited Common Elements. Portions of the Common Elements may be allocated as Limited Common Elements on the Plats and Plans, attached hereto as Exhibit B, by use of "LCE" and the identifying number of the Unit to which the Limited Common Element is appurtenant, or by use of a comparable method of designation.
- 3.05 Common Interest Allocation. The percentage of interest in the Common Elements (the "Common Interest Allocation") allocated to each Unit is assigned in accordance with a ratio of 1 to the total number of Units. The Common Interest Allocation is set forth on Exhibit C.
- 3.06 Common Expense Liability. The percentage of liability for Common Expenses (the "Common Expense Liability") allocated to each Unit and levied pursuant to Article 4 is equivalent to the Common Interest Allocation assigned to the Unit.
- 3.07 Votes. One (1) vote is allocated to each Unit. The one vote appurtenant to each Unit is weighted equally for all votes, regardless of the other allocations appurtenant to the Unit. In other words, the one vote appurtenant to each Unit is uniform and equal to the vote appurtenant to every other Unit.

Article IV. Covenant for Assessments

- 4.01 Purpose of Assessments. The Association will use Assessments for the general purposes of preserving and enhancing the Regime, and for the benefit of Owners and Residents, including but not limited to maintenance of real and personal property, management, utilities billed to the Association, services obtained by the Association and available to all Units including regular Landscaping Services, and operation of the Association, and any expense reasonably related to the purposes for which the Association was formed. If made in good faith, the Board's decision with respect to the use of Assessments is final.
- 4.02 Covenant to Pay. Each Owner by acceptance of the deed to such Owner's Unit is deemed to covenant and agree to pay to the Association the regular and special assessments levied pursuant to the provisions of this Declaration. All moneys collected shall be put into a maintenance fund to be used to defray expenses attributable to the ownership, operation, and maintenance of common interests by the Association. The Owner may not waive or otherwise escape liability for these assessments by nonuse of the Common Elements or by abandonment of the Owner's Unit. During the Declarant Control Period, the Declarant shall not pay Assessments for Units Declarant owns. Additionally, any Units held for sale by

Declarant are not subject to assessments. Any Units retained for personal use by Declarant after the Declarant Control Period shall be subject to the assessments.

- 4.03 Regular Assessments for Residential Units. Regular assessments shall be made in accordance with the following. Within 30 days prior to the beginning of each calendar year, the Board shall estimate the net charges to be paid during that year, including a reasonable provision for contingencies and replacements with adjustments made for any expected income and surplus from the prior year's fund. This estimated cash requirement shall be assessed to each Owner according to the ratio of the number of Units owned by said Owner to the total number of Units in the Project subject to assessment. Each Owner is obligated to pay assessments to the Board in monthly installments on or before the first day of each month.
 - (a) Annual Budget. The Regular Assessments for residential Units shall be based on the annual budget. The Board will prepare and approve an annual budget with the estimated expenses to be incurred by the Association for each fiscal year. The budget will take into account the estimated income and Common Expenses for the year, contributions to reserves, and a projection for uncollected receivables. The Board will make the budget or a summary of the budget available to the Owner of each Unit, although failure to receive a budget or budget summary will not affect an Owner's liability for Assessments.
 - (b) Supplemental Increases. If during the course of a year the Board determines that Regular Assessments are insufficient to cover the estimated Common Expenses for the remainder of the year, the Board may increase Regular Assessments for the remainder of the fiscal year in an amount that covers the estimated deficiency. Supplemental increases will be apportioned among the Units in the same manner as Regular Assessments.
- Reserve Fund. The Association shall establish Reserve Funds for replacement of Common Elements and fund the same by regular common assessments. The purpose of the Fund shall be to pay for unforeseen expenditures or to acquire additional equipment for services deemed necessary or desirable by the Board. The Initial Reserve Fund shall be established by collecting at the time of sale of each Residential Unit, by Declarant, the sum of \$500.00. At the time of the sale of the Commercial Unit by Declarant, the Association shall collect the sum of \$10,000.00 for the Initial Reserve Fund. The commercial Unit Initial Reserve Fund deposit shall be earmarked for future road and driveway improvements. Any amounts paid into the Reserve Fund shall not be considered as advance payments of regular assessments. The Reserve Fund shall be held in the name of the Association at all times and in a segregated fund under the control of the Association. The Reserve Fund may not be used by the Declarant to defray any of Declarant's expenses, reserve contribution for construction costs or to make up budget deficits while Declarant is in control of the Association. When unsold Units are sold by Declarant, the Declarant shall be reimbursed from the Reserve Fund for any of such Unit's Reserve Fund earlier contributed to the Reserve Fund by the Declarant.
- 4.05 Commercial Unit Assessment. The Board shall establish a separate Commercial Regular Assessment in accordance with the following provisions. Within 30 days prior to the beginning of each calendar year, the Board shall estimate the net charges to be paid during that year, including a reasonable provision for contingencies and replacements with adjustments made for any expected income and surplus from the prior year's fund. This estimated cash requirement shall be assessed to the Owner of the Commercial Unit. The Owner is obligated to pay assessments to the Board in monthly installments on or before the first day of each month.
 - (a) Annual Budget. The Regular Assessments for Commercial Units shall be based on the annual budget. The Board will prepare and approve an annual budget with the estimated expenses to be

incurred by the Association for each fiscal year. The budget will take into account the estimated income and Common Expenses for the year, contributions to reserves, and a projection for uncollected receivables. The Board will make the budget or a summary of the budget available to the Owner of the Commercial Unit, although failure to receive a budget or budget summary will not affect an Owner's liability for Assessments.

- (b) Supplemental Increases. If during the course of a year the Board determines that Regular Assessments are insufficient to cover the estimated Common Expenses for the remainder of the year, the Board may increase Regular Assessments for the remainder of the fiscal year in an amount that covers the estimated deficiency. Supplemental increases will be apportioned among the Units in the same manner as Regular Assessments.
- 4.06 Special Assessments. Special assessments shall be made in accordance with the following. If the Board determine that the amount to be collected from regular assessments will be inadequate to defray the common expenses for the year because of the cost of any construction, unexpected repairs, replacements of capital improvements on the Common Elements, or for any other reason, and it further determines that there are insufficient funds in the Reserve Fund to address such unexpected expenses, it shall make a special assessment for the additional amount needed. Such special assessments shall be levied and collected in the same manner as regular assessments.
- 4.07 Limitations on Assessments. The Board may not, without the approval of a majority of the voting power of the Association residing in Owners other than Declarant, impose a regular annual assessment per Unit that is more than 15% greater than the regular annual assessment for the preceding year, or levy special assessments that in the aggregate exceed 5% of the budgeted gross expenses of the Association for that year. These limitations shall not apply to an Individual Assessment, as defined below, levied against an Owner to reimburse the Association for funds expended in order to bring the Owner into compliance with the provisions of the Association's governing instruments.
- 4.08 Individual Assessments. In addition to Regular and Special Assessments, the Board may levy an Individual Assessment against an Owner and the Owner's Unit. Individual Assessments may include, but are not limited to: additional Landscape Services, interest, late charges, and collection costs on delinquent Assessments; reimbursement for costs incurred in bringing an Owner or the Owner's Unit into compliance with the Documents; fines for violations of the Documents; transfer-related fees and resale certificate fees; fees for estoppel letters and project documents; insurance deductibles; reimbursement for damage or waste caused by willful or negligent acts of the Owner, the Owner's guests, invitees or Residents of the Owner's Unit; Common Expenses that benefit fewer than all of the Units, which may be assessed according to benefit received; fees or charges levied against the Association on a per-Unit basis; and "pass through" expenses for services to Units provided through the Association and which are equitably paid by each Unit according to benefit received.
- 4.09 Due Date. Regular Assessments are due annually, with monthly installments of the total annual Regular Assessments to be paid on the first calendar day of each month or on such other date or frequency as the Board may designate in its sole and absolute discretion, and are delinquent if not received by the Association on or before such date. Special and Individual Assessments are due on the date stated in the notice of Assessment or, if no date is stated, within ten (10) days after notice of the Special or Individual Assessment is given.
- Association's Right to Borrow Money. The Board is granted the right to borrow money on behalf of the Association, subject to the ability of the Association to repay the borrowed funds from Assessments. To assist its ability to borrow, the Board has the right to encumber, mortgage, or pledge any

of its real or personal property, and the right to assign its right to future income, as security for money borrowed or debts incurred by the Association.

- 4.11 Limitations of Interest. The Association, and its officers, directors, managers, and attorneys, intend to conform strictly to the applicable usury laws of the State of Texas. Notwithstanding anything to the contrary in the Declaration or any other document or agreement executed or made in connection with the Association's collection of Assessments, the Association will not in any event be entitled to receive or collect, as interest, a sum greater than the maximum amount permitted by Applicable Law. If from any circumstances whatsoever, the Association ever receives, collects, or applies as interest a sum in excess of the maximum rate permitted by Applicable Law, the excess amount will be applied to the reduction of unpaid Assessments to which such excess interest was applied, or reimbursed to the Owner if those Assessments are paid in full.
- 4.12 Capital Contribution Upon Transfer. Following the Initial Reserve Fund assessment, upon the transfer of a Unit to a non-family member, a capital contribution fee of \$400.00 shall be assessed to the new Owner. Each transfer capital contribution fee shall be used by the Association for the construction of capital improvements or operating expenses of the Association. The Board of Directors may at any time it deems necessary or appropriate, amend the amount of the transfer capital contribution fee.

Article V. Assessment Lien and Effect of Nonpayment of Assessments

- Assessment Lien. Each Owner, by accepting an interest in or title to a Unit, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to pay Assessments to the Association. Each Assessment is a charge on the Unit and is secured by a continuing lien on the Unit. Each Owner, and each prospective Owner, is placed on notice that title to the Unit may be subject to the continuing lien for Assessments attributable to a period prior to the date the Owner purchased the Unit. An express lien on each Unit is hereby granted and conveyed by Declarant to the Association to secure the payment of Assessments.
- 5.02 Superiority of Assessment Lien. The Assessment lien is superior to all other liens and encumbrances on a Unit, except only for: (i) real property taxes and assessments levied by governmental and taxing authorities; (ii) a Recorded deed of trust lien securing a loan for construction or acquisition of the Unit; (iii) a deed of trust of vendor's lien Recorded before this Declaration; or (iv) a first or senior purchase money vendor's lien or deed of trust lien recorded before the date on which the delinquent Assessment became due. The Assessment lien is also superior to any Recorded assignment of the right to insurance proceeds on the Unit, unless the assignment is part of a superior deed of trust lien.
- 5.03 Effect of Mortgagee's Foreclosure. Foreclosure of a superior lien extinguishes the Association's claim against the Unit for unpaid Assessments that became due before the sale, but does not extinguish the Association's claim against the former Owner. The purchaser at the foreclosure sale of a superior lien is liable for Assessments coming due from and after the date of the sale.
- 5.04 Notice and Release. The Association's lien for Assessments is created by recordation of this Declaration, which constitutes record notice and perfection of the lien. No other recordation of a lien or notice of lien is required.
- Rower of Sale. By accepting an interest in or title to a Unit, each Owner grants to the Association a private power of sale in connection with the Association's assessment lien. The Board may appoint, from time to time, any Person, including an officer, agent, trustee, substitute trustee, or attorney, to exercise the Association's lien rights on behalf of the Association, including the power of sale. The

appointment must be in writing and may be in the form of a resolution recorded in the minutes of a Board meeting.

- 5.06 Foreclosure of Lien. The Assessment lien may be enforced by judicial or non-judicial foreclosure. A non-judicial foreclosure must be conducted in accordance with the provisions applicable to the exercise of powers of sale as set forth in Section 51.002 of the Texas Property Code, or in any manner permitted by Applicable Law. In any foreclosure, the Owner will be required to pay the Association's costs and expenses for the proceedings, including reasonable attorneys' fees. The Association has the power to bid on the Unit at foreclosure sale and to acquire, hold, lease, mortgage, and convey same.
- 5.07 Delinquent Assessment. An Assessment is delinquent if the Association does not receive payment in full by the Assessment's due date. The Association, acting through the Board, is responsible for taking action to collect delinquent Assessments. From time to time, the Association may delegate some or all of the collection procedures and remedies, as the Board in its sole discretion deems appropriate, to the Association's manager, an attorney, or a debt collector. Neither the Board nor the Association, however, is liable to an Owner or other Person for its failure or inability to collect or attempt to collect an Assessment. The Owner shall be responsible for reimbursement of reasonable costs incurred by the Association in collection of the delinquent assessments. The following remedies are in addition to and not in substitution for all other rights and remedies which the Association may have pursuant to this Declaration or Applicable Law:
 - (a) Interest. Delinquent Assessments are subject to interest from the due date until paid, at a rate to be determined by the Board from time to time, not to exceed the lesser of eighteen percent (18%) per annum or the maximum permitted by Applicable Law. If the Board fails to establish a rate, the rate is ten percent (10%) per annum.
 - (b) Late Fees. Delinquent Assessments are subject to reasonable late fees, at a rate to be determined by the Board from time to time.
 - (c) Acceleration. If an Owner defaults in paying an Assessment that is payable in installments, the Association may accelerate the remaining installments on ten (10) days' written notice to the defaulting Owner. The entire unpaid balance of the Assessment becomes due on the date stated in the notice.
 - (d) Suspension of Vote If an Owner's account has been delinquent for at least thirty (30) days, the Association may suspend the right to vote appurtenant to the Unit during the period of delinquency.
 - (e) Money Judgment. The Association may file suit seeking a money judgment against an Owner delinquent in the payment of Assessments, without foreclosing or waiving the Association lien for Assessments.
 - (f) Notice to Mortgagee. The Association may notify and communicate with any holder of a lien against a Unit regarding the Owner's default in payment of Assessments that is not cured within 60 days after written notice is sent to the Owner.

Article VI. Maintenance and Repair Obligations

6.01 Overview. Generally, the Association maintains the Common Elements, and the Owner maintains the Owner's Unit. If any Owner fails to maintain its Unit, the Association may perform the work at the Owner's expense.

- Association Maintains. The Association's maintenance obligations will be discharged when and how the Board deems appropriate. Unless otherwise provided in this Declaration, the Association maintains, repairs and replaces, as a Common Expense, all General Common Elements, including the roofs of the Buildings, unless such damage to the roof of the Unit is caused by the Unit Owner. In such event, the Association shall repair or replace the roof and levy a separate Assessment against the Unit Owner. The Association also maintains any component of a Unit delegated to the Association by this Declaration.
- 6.03 Owner Responsibility. Every Owner has the following responsibilities and obligations for the maintenance, repair and replacement of the Property:
 - (a) To maintain, repair, and replace such Owner's Unit and all Improvements constructed therein or thereon, and any Limited Common Elements assigned exclusively to such Owner's Unit.
 - (b) To maintain, repair, and replace all portions of the Property for which the Owner is responsible under this Declaration or by agreement with the Association.
 - (c) To not do any work or to fail to do any work which, in the reasonable opinion of the Board, would materially jeopardize the soundness and safety of the Property, reduce the value thereof, or impair any easement or real property right thereto.
 - (d) To be responsible for the Owner's willful or negligent acts and those of the Owner or Resident's family, guests, agents, employees, or contractors when those acts necessitate maintenance, repair, or replacement of Common Elements, the property of another Owner, or any component of the Property for which the Association has maintenance or insurance responsibility.
- 6.04 Disputes. If a dispute arises regarding the allocation of maintenance responsibilities by this Declaration, the dispute will be resolved by delegating responsibility to the individual Owners. Unit maintenance responsibilities that are allocated to the Association are intended to be interpreted narrowly to limit and confine the scope of Association responsibility.
- 6.05 Warranty Claims. If the Owner is the beneficiary of a warranty against defects to the Common Elements, the Owner irrevocably appoints the Association, acting through the Board, as the Owner's attorney-in-fact to file, negotiate, receive, administer, and distribute the proceeds of any claim against the warranty that pertains to Common Elements.
- 6.06 Owner's Default in Maintenance. If the Board determines that an Owner has failed to properly discharge such Owner's obligation to maintain, repair, and replace items for which the Owner is responsible, the Board may give the Owner written notice of the Association's intent to provide the necessary maintenance at the Owner's expense. If the Owner fails or refuses to timely perform the maintenance, the Association may do so at the Owner's expense, which is an Individual Assessment against the Owner and such Owner's Unit. In case of an emergency, however, the Board's responsibility to give the Owner written notice is waived, and the Board may take any action it deems necessary to protect persons or property, the cost of such action being at the Owner's expense and being levied as an Individual Assessment.
- 6.07 Landscape Services.
 - (a) Generally. The Association will cause the Landscape Services to be provided for all General Common Areas, including all flowerbeds and related landscaping on those portions of Common

- Areas located in front of and behind each Unit. The Association will also maintain all yard area located behind the Unit. No owner, resident, or tenant shall modify or maintain any area the Association is maintaining.
- (b) Dates. The Association or its designated landscape company may, from time to time, provide each Owner with a schedule of dates on which the Landscape Services will be performed.
- (c) Irrigation. The Landscape Services will include irrigation and the repair and maintenance of irrigation facilities on all Common Areas and within the yard area of the Unit.
- (d) Cost. The cost of all Landscape Services will be levied uniformly as a Regular Assessment and be payable by the Owners.

Article VII. Architectural Covenants

- 7.01 Purpose. Because the Units are part of a single, unified community, the Architectural Control Committee has the right to regulate the appearance of all Improvements in order to preserve and enhance the Property's value and architectural harmony. The ACC has the right to regulate every aspect of proposed or existing Improvements on the Property, including replacements or modifications of original construction or installation. Notwithstanding anything to the contrary stated herein, Improvements constructed on the Property and all architectural modifications made thereto that are made by the Declarant or its permittees shall not be subject to approval pursuant to this Article.
- 7.02 Architectural Control Committee. Unless otherwise appointed by the Board, the Board will assume jurisdiction over architectural control and will have the powers of the Architectural Control Committee hereunder and the Board, or a committee appointed by the Board, shall exercise all architectural control over the Property.
- 7.03 Limits on Liability. Neither the Declarant, the Board, nor their directors, officers, committee members, employees or agents will have any liability for decisions made as Architectural Reviewer in good faith. Neither the Declarant, the Board, nor their directors, officers, committee members, employees or agents are responsible for: (i) errors in or omissions from the plans and specifications submitted to the Architectural Control Committee; (ii) supervising construction for the Owner's compliance with approved plans and specifications; or (iii) the compliance of the Owner's plans and specifications with governmental codes and ordinances, state and federal laws. Approval of a modification or Improvement may not be deemed to constitute a waiver of the right to withhold approval of similar proposals, plans or specifications that are subsequently submitted.
- Prohibition of Construction, Alteration and Improvement. No Person may commence or continue any construction, alteration, addition, Improvement, installation, modification, redecoration, or reconstruction of or to the Property, or do anything that affects the appearance, use, or structural integrity of the Property. An Owner cannot change the exterior of any Improvement within a Unit. Notwithstanding the following, regular exterior maintenance, including, but not limited to repainting and gutter repairs shall be submitted to the Architectural Control Committee for review and written approval. Each Owner will have the right to modify, alter, repair, decorate, redecorate, or improve the interior of an Improvement and the patio portion of the Unit, provided that such action is not visible from any other portion of the Property. No decorations or fixtures shall be placed on the exterior of any Unit that are visible from any Unit or other portion of the Property, other than holiday decorations; provided, such decorations for secular or religious holidays must be taken down within 2 weeks after the end of the holiday. Holiday decorations may be put up no more than 30 days prior to the beginning of the holiday.

Application. To request Architectural Control Committee approval, an Owner must make written application and submit two (2) identical sets of plans and specifications showing the nature, kind, shape, color, size, materials, and locations of the work to be performed. The application must clearly identify any requirement of this Declaration for which a variance is sought. If the application is for work that requires a building permit from a municipality or other regulatory authority, the Owner must obtain such permit and provide a copy to the Architectural Control Committee in conjunction with the application. The Architectural Control Committee may return one set of plans and specifications to the applicant marked with the Architectural Reviewer's response, such as "Approved/" "Denied," or "Submit Additional Information."

Article VIII. Use Restrictions

- 8.01 Association's Right to Promulgate Rules and Amend Association Manual. The Association, acting through the Board, is granted the right to adopt, amend, repeal, and enforce reasonable Rules, and penalties for infractions thereof, regarding the occupancy, use, disposition, maintenance, appearance, and enjoyment of the Property. The Association, acting through a Majority of the Board, is further granted the right to amend, repeal, and enforce the Association Manual, setting forth therein such policies governing the Association as the Board determines. During the Declarant Control Period, any modification, amendment, or repeal to the Association Manual or the Rules, and each new policy or Rule, must be approved in advance and in writing by the Declarant.
- 8.02 Variance. The Property is subject to the restrictions contained in this Article, and subject to the Rules. The Board may grant a variance or waiver of a restriction or Rule on a case-by-case basis when unique circumstances dictate, and may limit or condition its grant. To be effective, a variance must be in writing and executed by a Majority of the Board, as applicable. The grant of a variance shall not constitute a waiver or estoppel of the right to deny a variance in other circumstances.
- 8.03 Rules and Regulations. In addition to the restrictions contained in this Article 8, each Unit is owned and occupied subject to the right of the Board to establish Rules, and penalties for infractions thereof, governing:
 - (a) Use of Common Elements
 - (b) Hazardous, illegal, or annoying materials or activities on the Property;
 - (c) The use of Property-wide services provided through the Association;
 - (d) The consumption of utilities billed to the Association;
 - (e) The use, maintenance, and appearance of anything visible from the street, Common Elements, or other Units;
 - (f) The occupancy and leasing of Units;
 - (g) Animals;
 - (h) Vehicles;
 - (i) Disposition of trash and pests;
 - (j) Anything that interferes with maintenance of the Property, operation of the Association, administration of this Declaration, or the quality of life for Residents; and
 - (k) Objects or decorations on balconies.
- 8.04 Use of Common Elements. There shall be no obstruction of the Common Elements, nor shall anything be kept on, parked on, stored on or removed from any part of the Common Elements without the prior written consent of Board, except as specifically provided herein.
- 8.05) Animals; Household Pets. Except for fish, there shall be allowed no more than two (2) household pets in any Residential Unit; provided, however, that said pets may consist only of domesticated dogs,

cats and/or fish and may not be kept, bred, or maintained for any commercial purpose and not become a nuisance or annoyance to neighbors. Notwithstanding the foregoing, any individual dog in excess of 30 pounds at maturity, Bull Terriers, Chihuahuas, Chow Chow, Jack Russell Terrier, and Pitbulls, and any other breeds with aggressive or destructive behavior as determined by the Board are expressly prohibited. Additionally, dangerous or exotic animals, livestock, or trained attack dogs of all types are specifically prohibited. The Board may require that all pets be registered. Owners must immediately pick up all solid waste of their pets and dispose of such waste appropriately. All individual pets, including cats, must be leashed at all times when outside a Unit, except when located inside the community dog run. Without limiting the generality of this Section, violations of the provisions of this Section will entitle the Association to all of its rights and remedies, including, but not limited to, the right to fine Owners and/or to require, through order of the Board, any pet to be permanently removed from the Regime. On written approval by the Board, an Owner or Resident may have one (1) additional household pet. No pet or animal may be left unattended in a backyard, on a balcony, or outside a Unit at any time.

- 8.06 Firearms and Fireworks. The display or discharge of firearms or fireworks on the Common Elements is prohibited; provided, however, that the display of lawful firearms on the Common Elements is permitted by law enforcement officers and also is permitted for the limited purpose of transporting the firearms across the Common Elements to or from the Owner's Unit.
- 8.07 Annoyance. No Unit may be used in any way that: (i) may reasonably be considered annoying to Residents; (ii) may be calculated to reduce the desirability of the Property as a residential neighborhood; (iii) may endanger the health or safety of Residents of other Units; (iv) may result in the cancellation of insurance on any portion of the Property; (v) violates any Applicable Law; or (vi) creates noise that is loud enough to be hear outside a Unit or odor pollution. The Board has the sole authority to determine what constitutes an annoyance and establish a fine for a violation of this provision.
- 8.08 Appearance. Both the exterior and the interior of the Improvements constructed within a Unit must be maintained in a manner so as not be unsightly when viewed from the street, Common Elements, or Units. The Board will be the arbitrator of acceptable appearance standards.
- 8.09 Drainage. No person may interfere with the established drainage pattern over any part of the Property unless an adequate alternative provision for proper drainage has been approved by the Board.
- 8.10 Driveways and Roads. Sidewalks, driveways, and other passageways may not be used for any purpose that interferes with their ongoing use as routes of vehicular or pedestrian access.
- 8.11 Garages. The original garage area of any Unit or Improvement constructed within a Residential Unit may not be enclosed or used for any purpose that would prohibit the parking of operable vehicles therein. Owners of Residents are required to park inside the garage or on the Unit's driveway when at the Unit.
- 8.12 Landscaping. No Person may perform landscaping, planting, or gardening anywhere within the General Common Elements without the prior written authorization of the Board and the Architectural Control Committee. Notwithstanding the following, a Person may perform landscaping, planting, or gardening within the patio portion of the Unit so long as such activities are not visible from outside the Unit.
- 8.13 Residential Use for Residential Units. The use of a Residential Unit is limited exclusively to single-family residential purposes and only one single-family residence may be constructed within each Unit. No more than one family or entity may own an interest in a Unit. No more than six (6) individuals may occupy one Residence at any one time unless they are all members of one (1) family in which case

such limitations shall not apply; however, a single family may consist of as many as three generations. No more than three unrelated persons shall be permitted to occupy a Unit, except for time of visitation, which shall not extend for more than fourteen (14) consecutive days. Except for a home occupation, no business or business activity shall be carried on, in or upon any Unit at any time except with the written approval of the Board. No deliveries of merchandise for sale or distribution, no traffic of customers or clients to or from a Unit, and no storage of inventory or products are permitted on any Unit. Garage sales or yard sales (or any similar vending of merchandise) conducted on any Unit shall be considered a business activity and is therefore prohibited, unless previously sanctioned by the Association acting through its Board of Directors. Time-sharing, transient use, or other short term rental is expressly prohibited.

- 8.14 Signage: No sign of any kind shall be displayed to the public view on or from any Unit or the Common Elements without the prior written consent of the Board, except a sign advertising the property for sale. Notwithstanding the foregoing, political signs may be erected provided the sign: (a) is erected no earlier than the 30th day before the date of the election to which the sign relates, and (b) is removed no later than the 10th day after the date of the election to which the sign relates.
- 8.15 Solar Energy Device and Energy Efficiency Roofing. A "Solar Energy Device" means a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. The term includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power. "Energy Efficiency Roofing" means shingles that are designed primarily to: (i) be wind and hail resistant; (ii) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (iii) provide solar generation capabilities. Approval by the Architectural Control Committee is required prior to installing a Solar Energy Device or Energy Efficient Roofing once a Unit has been constructed.
- 8.16 Rainwater Harvesting Systems. Rain barrels or rainwater harvesting systems (a "Rainwater Harvesting System") may be installed with the advance written approval of the Architectural Control Committee.
- 8.17 Flags. An Owner is permitted to display the flag of the United States of America, the flag of the State of Texas, or an official or replica flag of any branch of the United States Military ("Permitted Flag").
- 8.18 Antennae: No exposed exterior television or radio antennas or satellite dishes except digital satellite dishes not exceeding 18 inches in diameter may be installed anywhere on the Unit unless Applicable Law requires otherwise and then only in strict accordance with rules and regulations promulgated by the Board. A permitted Antenna may be installed in a location within the Unit from which an acceptable quality signal can be obtained and where least visible from the street and the Regime, other than the Unit.
- 8.19 Vehicles: Guest Parking. All vehicles on the Property, whether owned or operated by the Residents or their families and guests, are subject to this Section 8.19 and any Rules regulating the types, sizes, numbers, conditions, uses, appearances, and locations of vehicles on the Property. The Board may prohibit any vehicle from which the Board deems to be a nuisance, unsightly, or inappropriate. The Board may prohibit sales, storage, washing, repairs, or restorations of vehicles on the Property. Vehicles that transport inflammatory or explosive cargo are prohibited from the Property at all times. No vehicle may obstruct the flow of traffic, constitute a nuisance, or otherwise create a safety hazard on the Property. The Association may affect the removal of any vehicle in violation of this Section 8.19 or the Rules without liability to the owner or operator of the vehicle. The General Common Element roadway may include a

limited number of surface parking spaces (the "Surface Spaces"). The Surface Spaces may only be used for guest parking and may not be used by the inhabitants of a Unit. Parking within the Surface Spaces is limited to a period of no more than twelve (12) consecutive hours unless otherwise approved in advance by the Board. Vehicles parked in such a way to block access to or exit from a Unit will be towed immediately. Parking in fire lanes is not permitted at any time.

- 8.20 Lighting: Any exterior lighting of Limited Common Elements associated with any Unit shall be installed in such a manner as to be shielded and oriented downward into the Limited Common Area only and shall not be installed without prior approval of the Board.
- 8.21 Storage: No property may be stored temporarily or permanently on sidewalks, porches, walkways, stair landings or in any Limited Common Elements exterior to a Unit. Storage of boxes and personal property in garages is prohibited, if such storage prevents the parking of the Owner's or Occupant's vehicles in the garage. Nothing may be stored in common areas, except in buildings or screened areas approved by the Board.
- 8.22 Trashcans and Recycling Bins. All trashcans and recycling bins shall remain within the garage or behind a screened area for each Unit unless it is trash or recycling day as designated by the appropriate service provider.
- 8.23 Grills/Fire Pits/Chimineas. No bar-b-que grills, fire pits, chimineas, or other combustion source may be used or stored on any balcony.
- 8.24 Loud Exhaust Prohibited. All cars, truck and motorcycles housed on the Property must use conventional muffled exhaust. Trucks using "rumble" exhaust and diesel trucks are expressly prohibited under this Section 8.24. No vehicle may use glass pack mufflers, racing exhaust, or similar equipment which results in any exhaust noise which can be heard from the inside of any Unit.
- 8.25 Vehicles: Residents. There shall be no more than three (3) vehicles for each Unit. Under no circumstances may a Unit have four (4) or more vehicles parking regularly on the Property. All vehicles must remain in good working condition. No inoperable vehicle may be stored on the Property.
- 8.26 Mobile Homes, Travel Trailers, and Recreational Vehicles. No mobile homes may be parked or placed on any Unit or used as a residence, either temporary or permanent, at any time, and no motor homes, travel trailers, or recreational vehicles may be parked on or near any Unit so as to be visible from adjoining property or from public or private thoroughfares at any time.
- 8.27 Mining and Drilling. No portion of the Property shall be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth.
- 8.28 Temporary Structures. No tent, shack, or other temporary building, improvement, or structure will be placed on the Property without the prior written approval of the Board of the Association; however, temporary offices and temporary structures necessary for the storage of tools and equipment or for office space for architects, builders, and foremen during actual construction may be maintained with Declarant's approval, approval to include the nature, size, duration, and location of the temporary office or structure. Owner, with the written approval of the Architectural Control Committee, may erect one (1) outbuilding in the Owner's backyard LCE, subject to restrictions established by the ACC.

Article IX. Residential Unit Leasing

9.01 Lease Conditions. The leasing of Residential Units is subject to the following conditions: (i) unless otherwise approved in advance by the Board, no Unit or portion of a Unit may be rented for transient or hotel purposes or for a period less than six (6) months; (ii) all leases must be in writing and must be made subject to this Declaration and related Association documents; (iii) an Owner is responsible for providing the Owner's tenant with copies of this Declaration and related Association documents and notifying the tenant of changes thereto; and (iv) each tenant is subject to and must comply with all provisions of this Declaration, related Association documents and Applicable Law. The Board may adopt additional Rules which further limit the leasing of Units, and shall have the express power and authority to adopt a leasing permit system which limits the number of Units which may be leased at any one time, provided, that the leasing rules and leasing permit system is not otherwise prohibited by the requirements and/or guidelines promulgated by an Underwriting Lender.

Article X. Commercial Unit

Notwithstanding anything in this Declaration to the contrary, the commercial Unit shall be subject to the following provisions.

- 10.01 Commercial Unit Description. The Commercial Unit boundaries are set forth on Exhibit B, attached hereto. The exterior of the Building, including the roof, the sidewalk, any decking, and any reserved parking shall be considered part of the Commercial Unit's Limited Common Elements.
- 10.02 Permitted Commercial Use. The Commercial Unit may be used for any lawful purpose (except as otherwise prohibited by this Declaration or the Bylaws). It is the intent that Commercial Unit shall be developed and used as a coffee shop or restaurant. No manufacturing or industrial uses, or use of a Unit for adult business, mortuary, crematory, cemetery or as a resale/thrift store will be allowed within Commercial Unit. Commercial uses by their nature create a variety of impacts that would not occur, or would occur to a lesser degree, in a condominium with only residential uses. Such impacts include, without limitation, vehicular and pedestrian traffic, light, noise, odors and pests. The Residential Units expressly consent to the commercial use.
- 10.03 Conduct Restrictions Applicable to Commercial Unit.
 - (a) Venting for Restaurant Use. Any fuel, gas or other flammable substances used in the operation of a restaurant or the preparation of food and beverages must be vented through an approved venting system. Declarant shall have the sole right to approve such systems so long as Declarant owns any Unit in the Building. After such time, approval shall be through the Architectural Committee. Any fire or flammable gas used in the operation of a restaurant or the preparation of food and beverages must be used in compliance with all applicable laws.
 - (b) Advertising. Neither the Commercial Unit Owner nor Commercial Tenant shall distribute, or cause to be distributed, any handbill or other advertising device for their business in the Common Elements, or on the public sidewalks or streets adjacent to the Condominium. Notwithstanding the foregoing, and subject to the Rules, Bylaws, this Declaration, and applicable laws, nothing in this section shall be interpreted to prohibit music or other entertainment within the Commercial Unit that is consistent with a first-class mixed-use condominium community. Neither the Commercial Unit Owner nor Commercial Tenant shall employ any loud or intrusive advertising media which can be heard or experienced when not proximate to the Commercial Unit, such as, without limitation, flashing lights, searchlights or loudspeakers.

- (c) Commercial Invitees; Lease of Commercial Condominiums; Term of Leases. The Commercial Unit Owner shall be responsible for compliance by Owner's invitees with the provisions of the Rules, Bylaws, and this Declaration. The Commercial Unit Owner may not lease a Commercial Unit for any purpose inconsistent with the provisions of the Rules, Bylaws, or this Declaration. Any rental or leasing agreement shall be in writing, shall provide that the lease or rental is subject to the Rules, Bylaws, and this Declaration and shall provide that any failure to comply with any provision of the therein shall be a default under the terms of the lease agreement. A copy of the Rules, Bylaws, and this Declaration shall be made available to the Commercial Tenant by the Owner. A Commercial Tenant shall have no obligation to the Association to pay assessments imposed by the Association nor shall any Commercial Tenant have any voting rights in the Association. If the Commercial Unit Owner rents its Unit, it shall submit names and contact numbers for the tenant to the Association.
- (d) Grease Interceptors. Except as installed by Declarant, no Commercial Unit Owner or Commercial Tenant may install a grease interceptor on the exterior of the Building. A Commercial Unit Owner may install a grease interceptor within the interior of the Commercial Unit provided such system has been approved. Declarant shall have the sole right to approve such systems so long as Declarant owns any Unit in the Project. After such time, approval shall be by the Architectural Committee. Such systems must also be approved by the appropriate governmental permitting agencies.
- (e) Commercial Signage. Except as expressly set forth in this Declaration, the Association shall regulate the placement of signage on the storefronts, windows or doors of the Commercial Units. Each Commercial Unit Owner or Commercial Tenant shall have the right to display signage on or in such Commercial Unit in accordance with applicable laws.
- (f) Alarms. Any alarm installed by a Commercial Unit Owner or Commercial Tenant shall be the type of alarm which is monitored by a certified alarm company.
- (g) Commercial Exteriors. Except as expressly set forth in this Declaration, the Association may not prohibit or regulate the alteration of the storefronts, windows or doors of the Commercial Units.
- 10.04 Rules. The Board, together with the Owner of Commercial Unit, may establish rules for the Commercial Unit. The Rules of the Commercial Unit shall include, but not be limited to, establishing hours of operations, regulations concerning signage, awnings, outdoor seating, and maintenance.
- 10.05 Nuisance. Nothing shall be done by the Commercial Unit Owner or such Owner's invitees on or within the Project that may be or may become a nuisance to the Owners of the Project.
- 10.06 Voting Any provisions of the Bylaws or this Declaration that are critical to Commercial Unit Owner and its tenants cannot be amended without the Commercial Unit Owners' consent.
- 10.07 Insurance. In addition to that insurance maintained by the Association, the Commercial Unit Owner is required to carry insurance that covers, among other things, injury to business customers, and loss of business revenue when a business must close to accommodate building repairs, and provide proof to the Association that such insurance is in place. The Commercial Unit Owner's insurance policy shall name the Association and Unit Owners as additional insureds.
- 10.08 Common Elements. The Owner of Commercial Unit and its patrons or invitees shall have no right to access or utilize the General Common Elements described on Exhibit D. This includes, but is not limited to the dog park.

Article XI. Association Operation

- 11.01 Board. Unless this Declaration or other Association documents expressly reserve a right, action, or decision to the Owners, Declarant, or another party, the Board acts in all instances on behalf of the Association.
- 11.02 The Association. The duties and powers of the Association are those set forth in this Declaration and related Association documents, together with the general and implied powers of a condominium association and a nonprofit corporation organized under the laws of the State of Texas. Generally, the Association may do any and all things that are lawful and necessary, proper, or desirable in operating for the peace, health, comfort, and general benefit of its Members and the Regime, subject only to the limitations on the exercise of such powers as stated in this Declaration. The Association will continue to exist as long as the Declaration is effective against the Property, regardless of whether its corporate charter lapses from time to time.
- 11.03 Governance. The Association will be governed by a Board elected by the Members. Unless the Bylaws or Certificate provide otherwise, the Board will consist of four (4) persons, three (3) persons to be elected at the annual meeting of the Association, or at a special meeting called for such purpose, and one (1) to be the Owner of the Commercial Unit, or its agent or representative. The Association will be administered in accordance with this Declaration and Applicable Law. Unless this Declaration or related Association documents provide otherwise, any action requiring approval of the Members may be approved in writing by Owners representing at least a Majority of the total number of votes in the Association, or at a meeting by Owners' representing at least a Majority of the total number of votes in the Association. Notwithstanding the following, the Declarant shall be the only member of the Board during the Declarant Control Period. During such Declarant Control Period, Declarant shall have the right to exercise all rights of the Board.
- 11.04 Membership. Each Owner is a Member of the Association, ownership of a Unit being the sole qualification for membership. Membership is appurtenant to and may not be separated from ownership of the Unit. The Board may require satisfactory evidence of transfer of ownership before a purported Owner is entitled to vote at a meeting of the Association. If a Unit is owned by more than one Person or entity, each co-owner is a Member of the Association and may exercise the membership rights appurtenant to the Unit.
- 11.05 Manager, The Board may delegate the performance of certain functions to one or more managers or managing agents of the Association. Notwithstanding any delegation of its functions, the Board is ultimately responsible to the Members for governance of the Association.
- 11.06 Books and Records. The Association will maintain copies of this Declaration and related Association documents, and the Association's books, records, and financial statements. Books and records of the Association will be made available for inspection and copying pursuant to the requirements of Applicable Law.
- 11.07 Indemnification. The Association indemnifies any officers, directors, board members, or committee members against expenses, including attorney's fees, reasonably incurred by or imposed on the officers, directors, board members or committee members in connection with any threatened or pending action, suit, or proceeding to which the officers, directors, board members or committee members is a party or respondent by reason of being or having been an officers, directors, board members or committee members. An officers, directors, board members or committee members is liable for his or her

willful misfeasance, malfeasance, misconduct, or bad faith. As a Common Expense, the Association may maintain general liability and directors' and officers' liability insurance to fund this obligation.

- 11.08 Obligations of Owners. Without limiting the obligations of Owners under this Declaration, each Owner has the following obligations:
 - (a) Information. Within thirty (30) days after acquiring an interest in a Unit, within thirty (30) days after the Owner has notice of a change in any information required by this Subsection, and on request by the Association from time to time, an Owner will provide the Association with the following information: (i) a copy of the recorded deed by which Owner has acquired title to the Unit; (ii) the Owner's address and phone number; (iii) any Mortgagee's name; (iv) the name and phone number of any Resident other than the Owner; and (v) the name, address, and phone number of Owner's managing agent, if any.
 - (b) Assessments. Each Owner will pay Assessments properly levied by the Association against the Owner or such Owner's Unit and will pay Regular Assessments without demand by the Association.
 - (c) Compliance with Documents. Each Owner will comply with this Declaration as amended from time to time.
 - (d) Liability for Violations. Each Owner is liable to the Association for violations of this Declaration by the Owner, a Resident of the Owner's Unit, or the Owner or Resident's family, guests, employees, agents, or invitees, and for costs incurred by the Association to obtain compliance, including attorney's fees whether or not suit is filed.
 - (e) Liability of Owners for Damage to General Common Elements and Limited Common Elements. Each Owner is liable to the Declarant, the Association, the Owners, or any public agency, authority, or utility if the Common Area and facilities have been dedicated or otherwise conveyed to any of these parties, for any and all damages to (a) the Common Area and facilities; or (b) any Improvements constructed on any Unit, the maintenance of which has been assumed by any of these parties, which damages were caused by the neglect, misuse, or negligence of an Owner or the Owner's family, or by any tenant or other occupant of the Owner's Unit, or any guest or invitee of the Owner. The full cost of all repairs of the damage will be an Assessment against the Owner's Unit, secured by a lien against the Owner's Unit and collectable in the same manner as provided for in Section 5.01 including but not limited to foreclosure of the lien.
- 11.09 Unit Resales. This section applies to every sale or conveyance of a Unit by an Owner other than Declarant:
 - (a) Certificate. An Owner intending to sell his Unit will notify the Association and will request a condominium resale certificate from the Association.
 - (b) No Right of First Refusal. The Association does not have a right of first refusal and may not compel a selling Owner to convey the Owner's Unit to the Association.
 - Exclusions. The requirements of Section 11.09 do not apply to the following transfers: (i) foreclosure of a mortgagee's deed of trust lien, a tax lien, or the Association's assessment lien; (ii) conveyance by a mortgagee who acquires title by foreclosure or deed in lieu of foreclosure; transfer to, from, or by the Association; (iii) voluntary transfer by an Owner to one or more Co-Owners, or to the Owner's spouse, child, or parent; a transfer by a fiduciary in the course of

administering a decedent's estate, guardianship, conservatorship, or trust; a conveyance pursuant to a court's order, including a transfer by a bankruptcy trustee; or (iv) a disposition by a government or governmental agency. Additionally, the requirements of this Section do not apply to the initial conveyance from Declarant.

11.10 Security Gate Fobs. The charge to replace or repair a fob shall be the actual cost of the fob replacement plus an additional One Hundred Dollars (\$100.00).

Article XII. Enforcing this Declaration

- 12.01 Notice and Hearing. Before levying a fine for violation of this Declaration (other than nonpayment of Assessments), the Association will give the Owner written notice of the fine and an opportunity to be heard, to the extent required by Applicable Law. The Association's written notice must contain a description of the violation or property damage; the amount of the proposed fine or damage charge; a statement that not later than the thirtieth (30th) day after the date of the notice, the Owner may request a hearing before the Board to contest the fine or charge; and a stated date by which the Owner may cure the violation to avoid the fine, unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding twelve (12) months. The Association may also give a copy of the notice to the Resident of the Unit. Pending the hearing, the Association may continue to exercise all rights and remedies for the violation, as if the declared violation were valid. The Owner's request for a hearing suspends only the levy of a fine or damage charge.
- 12.02 Remedies. The following remedies for breach of the Declaration are cumulative and not exclusive. In addition to other rights and remedies provided in this Declaration and by Applicable Law, the Association may (i) levy reasonable charges, as an individual assessment, against an Owner and the Owner's Unit if the Owner or Resident, or the Owner or Resident's family, guests, employees, agents, or contractors violate a provision of this Declaration, (ii) may suspend the right of Owners and Residents to use Common Elements (except rights of ingress and egress) for any period during which the Owner or Resident, or the Owner or Resident's family, guests, employees, agents, or contractors violate this Declaration, (iii) exercise self-help by entering a Common Element or Unit to abate or remove, using force as may reasonably be necessary, any Improvement, thing, animal, person, vehicle, or condition that violates this Declaration, or (iv) file an action to recover damages or for injunctive relief to cause any such violation to be remedied, or both. With regards to self-help remedy, the Association is not trespassing and is not liable for damages related to the abatement, and the Board may levy its costs of abatement against the Unit and Owner as an individual assessment. Unless an emergency situation exists in the good faith opinion of the Board, the Board will give the violating Owner fifteen (15) days' notice of its intent to exercise self-help. With regards to filing a suit to recover damages or injunctive relief, the Association will give the defaulting party reasonable notice and an opportunity to cure the violation.
- 12.03 Board Discretion. The Board may use its sole discretion in determining whether to pursue a violation of this Declaration, provided the Board does not act in an arbitrary or capricious manner.
- 12.04 No Waiver The Association and every Owner has the right to enforce all restrictions, conditions, covenants, liens, and charges now or hereafter imposed by this Declaration. Failure by the Association or by any Owner to enforce a provision of this Declaration is not a waiver of the right to do so thereafter.
- 12.05 Recovery of Costs. The costs of curing or abating a violation are the expense of the Owner or other Person responsible for the violation. If legal assistance is obtained to enforce any provision of this Declaration, or in any legal proceeding (whether or not suit is brought) for damages or for the enforcement of this Declaration or the restraint of violations of this Declaration, the prevailing party is

entitled to recover from the non-prevailing party all reasonable and necessary costs incurred by it in such action, including reasonable attorneys' fees.

Article XIII. Required Insurance

- 13.01 Insurance in General. The Association will maintain: (i) liability insurance on the General Common Elements, which include the roof and exterior of the Building; (ii) hazard insurance on the improvements situated on the General Common Elements; and (iii) any other insurance required under §82.111 of the Act to the extent reasonably available. Additionally, each Owner shall be required to maintain fire and other extended coverage for the physical structure of Owner's Unit, as well as a policy of unit owner's insurance which reasonably insures the Unit Owner from all loses, normally covered under a standard unit owner's policy and which are not covered by the insurance carried by the Association. The Association may mandate that insurance needs and requirements be met through the issuance of separate Owner's policies.
- 13.02 No Coverage. Even if the Association and the Owner have adequate amounts of recommended and required coverages, the Property may experience a loss that is not covered by insurance. In that event, the Association is responsible for restoring the Common Elements as a Common Expense, and the Owner is responsible for restoring such Owner's Unit at Owner's sole expense. This provision does not apply to the deductible portion of a policy.
- 13.03 Association as Trustee. Each Owner irrevocably appoints the Association, acting through its Board, as the Owner's trustee to negotiate, receive, administer, and distribute the proceeds of any claim against an insurance policy maintained by the Association.
- 13.04 Units Not Insured by Association. In no event will the Association maintain property insurance on the Units. Accordingly, each Owner of a Unit will be obligated to maintain property insurance on such Owner's Unit and any Limited Common Elements assigned exclusively to such Owner's Unit, including any betterments and Improvements constructed within or exclusively serving such Unit, in an amount sufficient to cover one hundred percent (100%) of the replacement cost of any repair or reconstruction in event of damage or destruction from any insured hazard. In addition, the Association does not insure an Owner or Resident's personal property. THE ASSOCIATION STRONGLY RECOMMENDS THAT EACH OWNER AND RESIDENT PURCHASE AND MAINTAIN INSURANCE ON HIS PERSONAL BELONGINGS.
- 13.05 Worker's Compensation. The Association may maintain worker's compensation insurance if and to the extent necessary to meet the requirements of Applicable Law or if the Board so chooses.
- 13.06 Directors and Officers Liability. The Association may maintain directors' and officers' liability insurance, errors and omissions insurance, indemnity bonds, or other insurance the Board deems advisable to insure the Association's directors, officers, committee members, and managers against liability for an act or omission in carrying out their duties in those capacities.
- 13.07 Other Policies. The Association may maintain any insurance policies and bonds deemed by the Board to be necessary or desirable for the benefit of the Association.
- 13.08 Insurance Rates. Nothing will be done or kept on the Property that would increase the rate of insurance or cause the cancellation of insurance on any Unit or on any General Common Element.

Article XIV. Reconstruction and Repair after Loss

- 14.01 Subject to Act. The Association's response to damage or destruction of the Property will be governed by Section 82.111(i) of the Act.
- 14.02 Cost Estimates. Promptly after the loss, the Board will obtain reliable and detailed estimates of the cost of restoring the damaged Common Elements. Costs may include premiums for bonds and fees for the services of professionals, as the Board deems necessary, to assist in estimating and supervising the repair.
- 14.03 Plans and Specifications. Common Elements will be repaired and restored substantially as they existed immediately prior to the damage or destruction.
- 14.04 Owner's Duty to Repair. Within sixty (60) days after the date of damage, the Owner will begin repair or reconstruction of any portion of his Unit, subject to the right of the Association to supervise, approve, or disapprove repair or restoration during the course thereof. Unless otherwise approved by the Architectural Reviewer, the residence must be repaired and restored substantially in accordance with original construction plans and specifications.
- 14.05 Owner's Liability for Insurance Deductible. If repair or restoration of Common Elements is required as a result of an insured loss, the Board may levy an Individual Assessment, in the amount of the insurance deductible, against the Owner or Owners who would be responsible for the cost of the repair or reconstruction in the absence of insurance.

Article XV. Termination and Condemnation

- 15.01 Association as Trustee. Each Owner hereby irrevocably appoints the Association, acting through the Board, as trustee to deal with the Property in the event of damage, destruction, obsolescence, condemnation, or termination of all or any part of the Property. As trustee, the Association will have full and complete authority, right, and power to do all things reasonable and necessary to effect the provisions of this Declaration and the Act, including, without limitation, the right to receive, administer, and distribute funds, awards, and insurance proceeds; to effect the sale of the Property as permitted by this Declaration or by the Act; and to make, execute, and deliver any contract, deed, or other instrument with respect to the interest of an Owner.
- 15.02 Termination. Termination of the terms of this Declaration and the Regime will be governed by Section 82.068 of the Act.
- 15.03 Condemnation. The Association's response to condemnation of any part of the Regime will be governed by Section 82.007 of the Act. On behalf of Owners, but without their consent, the Board may execute an amendment of this Declaration to reallocate the Common Interest Allocation following condemnation and to describe the altered parameters of the Regime. If the Association replaces or restores Common Elements taken by condemnation by obtaining other land or constructing additional Improvements, the Board may, to the extent permitted by Applicable Law, execute an amendment without the prior consent of Owners to describe the altered parameters of the Regime and any corresponding change of facilities or Improvements.

Article XVI. Amendments

16.01 Consents Required. As permitted by the Act or by this Declaration, certain amendments to this Declaration may be executed by Declarant acting alone, or by certain Owners acting alone, or by the Board acting alone. Otherwise, amendments to this Declaration must be approved by Owners representing

at least sixty-seven percent (67%) of the total votes in the Association. Each Owner shall be given a document showing the specific amendment or other change that would be made to the Declaration prior to the vote being cast.

- 16.02 Amendments Generally. Notwithstanding any provisions in this Declaration to the contrary, no amendment to this Declaration shall modify, alter, abridge or delete any: (i) provision of this Declaration that benefits the Declarant; (ii) rights, privileges, easements, protections, or defenses of the Declarant; or (iii) rights of the Owners or the Association in relationship to the Declarant, without the written consent of the Declarant, attached to and recorded with such amendment. In addition, no amendment to this Declaration shall modify, alter, abridge or delete any: (i) permissible use of a Unit absent the consent of the Owner(s) of the Unit affected by the change in permissible use; or (ii) any license, easement or other contractual rights contained in this Declaration, including, without limitation, any easement, right and license benefiting or in favor of the Declarant.
- 16.03 Effective. Any amendment shall be evidenced by a writing that is prepared, signed, and acknowledged by the President or other officer designated by the Board to certify amendments. The amendment shall be effective on filing in the office of the county clerk of Williamson County, Texas.
- 16.04 Declarant Rights. Declarant has an exclusive right to unilaterally amend this Declaration during the Declarant Control Period, subject to the restrictions set forth in Section 16.02.

Article XVII. General Provisions

- 17.01 Nonwaiver of Remedies. Each remedy provided for in this Declaration is separate, distinct, and nonexclusive. Failure to exercise a particular remedy shall not be construed as a waiver of the remedy.
- 17.02 Severable. The provisions of this Declaration shall be deemed independent and severable. The invalidity, partial invalidity, or unenforceability of any one provision shall not affect the validity or enforceability of any other provision.
- 17.03 Binding. This Declaration, as well as any amendment to this Declaration, and any valid action or directive made pursuant to it shall be binding on the Declarant and the Owners and their heirs, grantees, tenants, successors, and assigns.
- 17.04 Interpretation. The provisions of this Declaration shall be liberally construed and interpreted to effectuate the purpose of creating a uniform plan for the development and operation of a condominium project. Failure to enforce any provision of this Declaration shall not constitute a waiver of the right to enforce the provision or any other provision of this Declaration.
- 17.05 Fair Housing. Neither Declarant nor any Owner shall, either directly or indirectly, forbid the conveyance, encumbrance, renting, leasing, or occupancy of the Owner's Unit to any person on the basis of race, color, sex, religion, ancestry, or national origin.
- 17.06 Number, Gender, and Headings. As used in this Declaration, the singular shall include the plural and the masculine shall include the feminine and the neuter, unless the context requires the contrary. All headings are not a part of this Declaration and shall not affect the interpretation of any provision.
- 17.07 Rights of Mortgagees under Deeds of Trust. Declarant warrants that first Mortgagees under deeds of trusts to Units in the Project shall be entitled to the following rights and guaranties:

- (a) Should any of the Association's governing documents provide for a "right of first refusal," such right shall not impair the rights of a Mortgagee under a first lien deed of trust to the following: (i) to exercise the power or sale, foreclosure, or take title to a Unit pursuant to the remedies provided in the deed of trust; (ii) to accept a deed or assignment in lieu of sale or foreclosure in the event of default by a grantor; or (iii) to interfere with a subsequent sale or lease of a Unit so acquired by the Mortgagee.
- (b) Written notice of: (i) any condemnation or casualty loss that affects either a material portion of the Project or the Unit securing its Mortgage; (ii) a lapse, cancellation, or material modification of any insurance policy maintained by the homeowners' association; and (iii) any proposed action that requires the consent of a specified percentage of Mortgagees.
- (c) The Project documents must provide that: (i) amendments of a material adverse nature to Mortgagees be agreed to by Mortgagees that represent at least fifty-one percent (51%) of the votes of Unit that are subject to Mortgages; (ii) any action to terminate the legal status of the Project after substantial destruction or condemnation occurs or for other reasons to be agreed by Mortgagees that represent least fifty-one percent (51%) of the votes of Unit that are subject to Mortgages; (iii) implied approval to be assumed when a Mortgagee fails to submit a response to any written proposal for an amendment within 60 days after it receives proper notice of the proposal, provided the notice was deliver by certified or registered mail, with a "return receipt" requested; and (iv) no provision of the Project documents gives a Unit Owner or any other party priority over any rights of the first Mortgagee of a Unit pursuant to its mortgage in the case of payment to the Unit Owner of insurance proceeds or condemnation awards for losses to or a taking of Units or Common Elements.

Article XVIII. Mediation and Arbitration

18.01 Mediation and Arbitration. In the event that any disputes or disagreements arise between or among any of the parties regarding this Declaration, other condominium documents, or the rights, duties and obligations of any party under the Declaration or other condominium documents, such disputes shall first be submitted to the Manager, if any, for non-binding advice as to a resolution. If the dispute remains unresolved, such dispute shall be resolved by non-binding mediation or, if mediation is unsuccessful, by binding arbitration. Prior to proceeding to arbitration, the parties will first submit the dispute to non-binding mediation before a mutually agreeable mediator, if unsuccessful the cases shall be submitted, for arbitration. The arbitration will be submitted to a mutually agreeable arbitration association and processed according the rules of the American Arbitration Association. In the event that the parties cannot agree on an arbitration association, then either party may submit or file the dispute with the American Arbitration Association. Each of the parties to any arbitration proceeding shall pay an equal share of the arbitration fees and any costs of arbitration. In the event of failure of any party to perform its obligations under this Declaration, the prevailing party or parties in any action to enforce this Declaration shall be entitled to recover from the non-prevailing party or party's reasonable attorneys' fees, expenses and costs of court.

SIGNED this day of January, 2020. RESHETAR Robin Reshetar, President STATE OF TEXAS COUNTY OF WILLIAMSON This instrument was acknowledged before me on the day of January, 2020, by Robin Reshetar, President of Reshetar, Inc., a Texas corporation, on behalf of said corporation. CATTLIN E. DAVIS My Notary ID # 126338177 Expires April 11, 2023

Consent of Mortgagee

The undersigned financial institution, being the owner and holder of an existing mortgage lien upon and against the land and property described as the Property in the foregoing Declaration, hereby consents to the Declaration and to the recording of same for submission of said property to a Condominium Regime pursuant to the Texas Uniform Condominium Act, provided that the undersigned lienholder's lien(s) and security interest(s) shall remain superior to any liens or security interests created by the Declaration.

This consent shall not be construed or operate as a release of said mortgage or liens owned and held by the undersigned, or any part thereof.

Lienholder: Frost Bank

By: Mu Jun

Title: Relationship Booting Officer

State of Texas

§

County of Travis

This instrument was acknowledged before me on the 10 day of December, 2019, by Beck Despain

Relationship Bunking Offices of Frost Bank

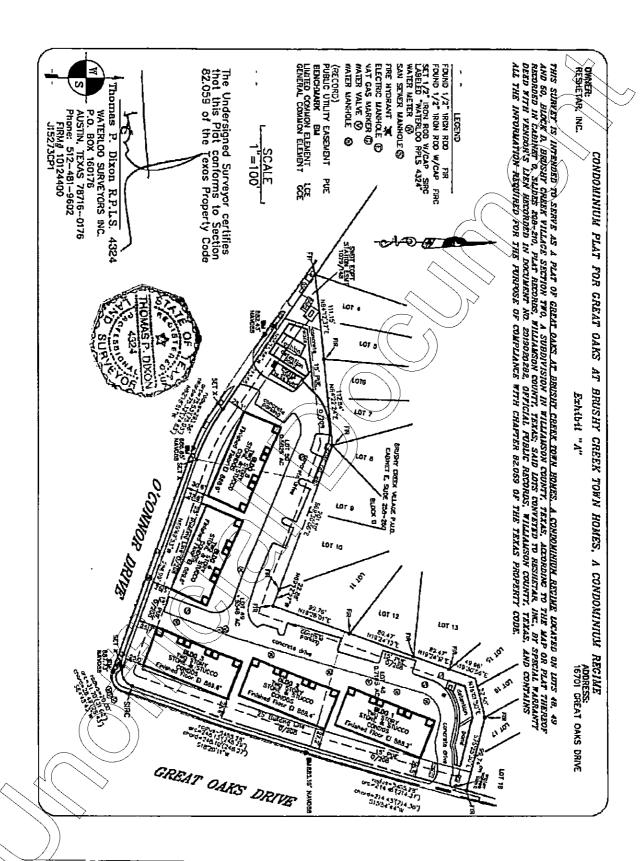
Notary Public in and for the State of Texas

EXHIBIT "A"

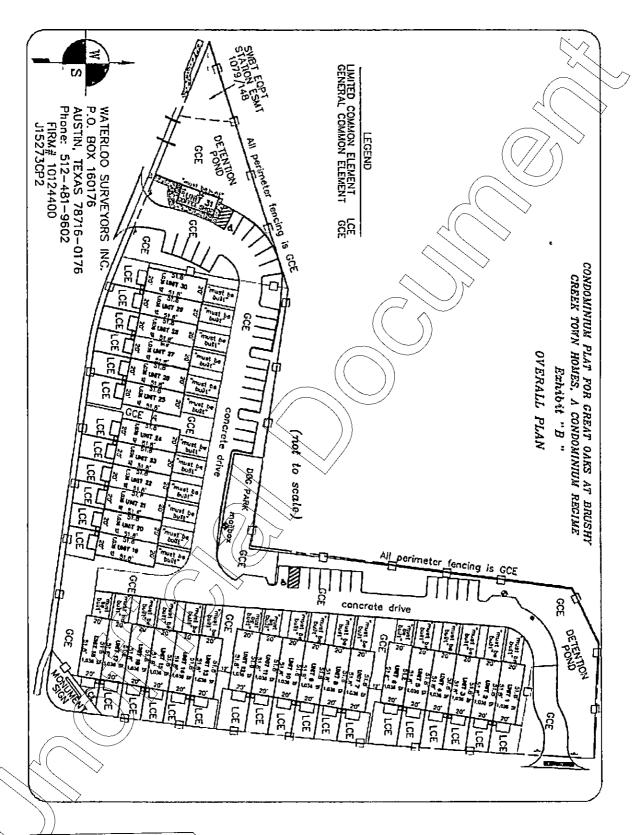
LEGAL DESCRIPTION OF PROPERTY AND PLAT

Lots 48, 49, and 50, Block D, Brushy Creek Village Section Two, a subdivision in Williamson County, Texas, according to the map or plat recorded in Cabinet O, Slides 208-210 of the Plat records of Williamson County, Texas.

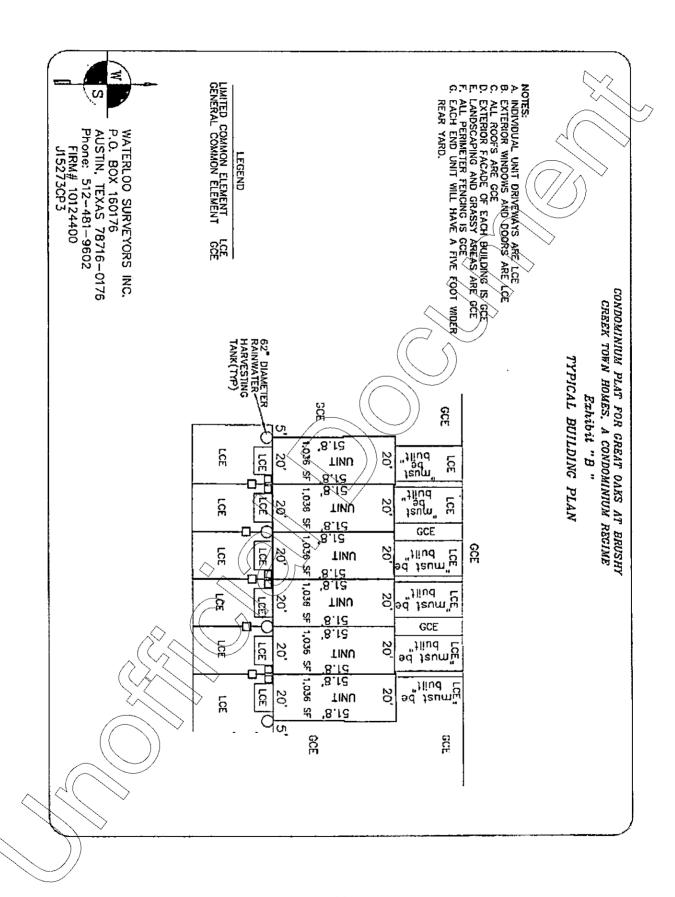


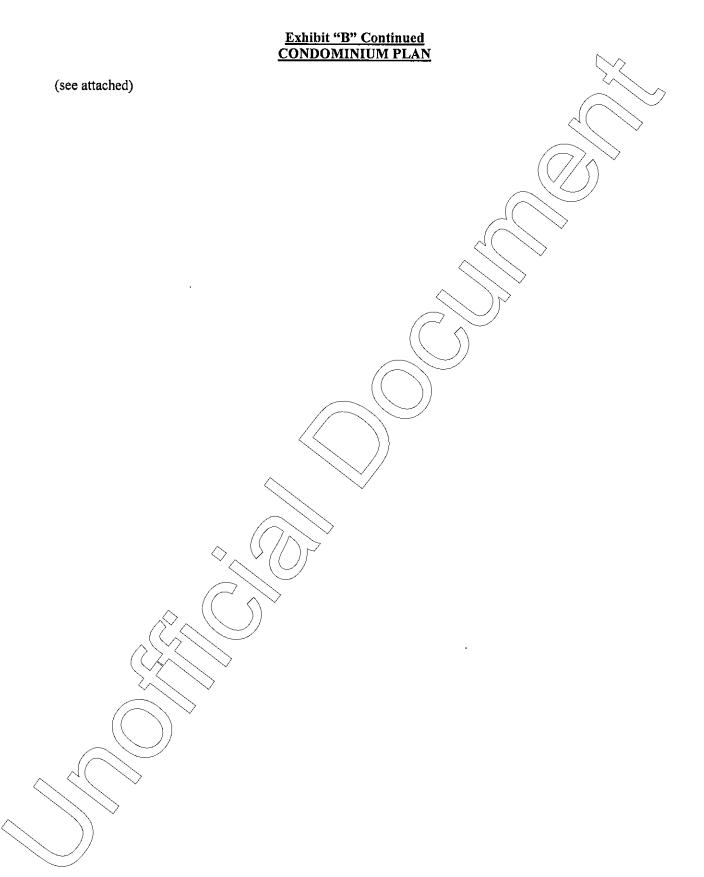


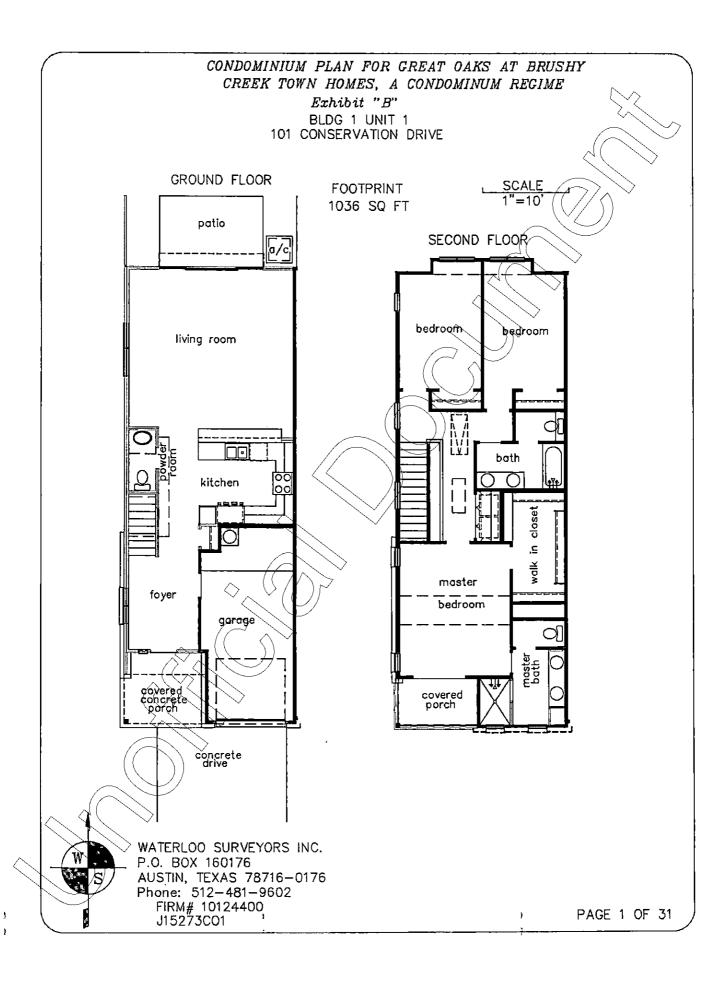


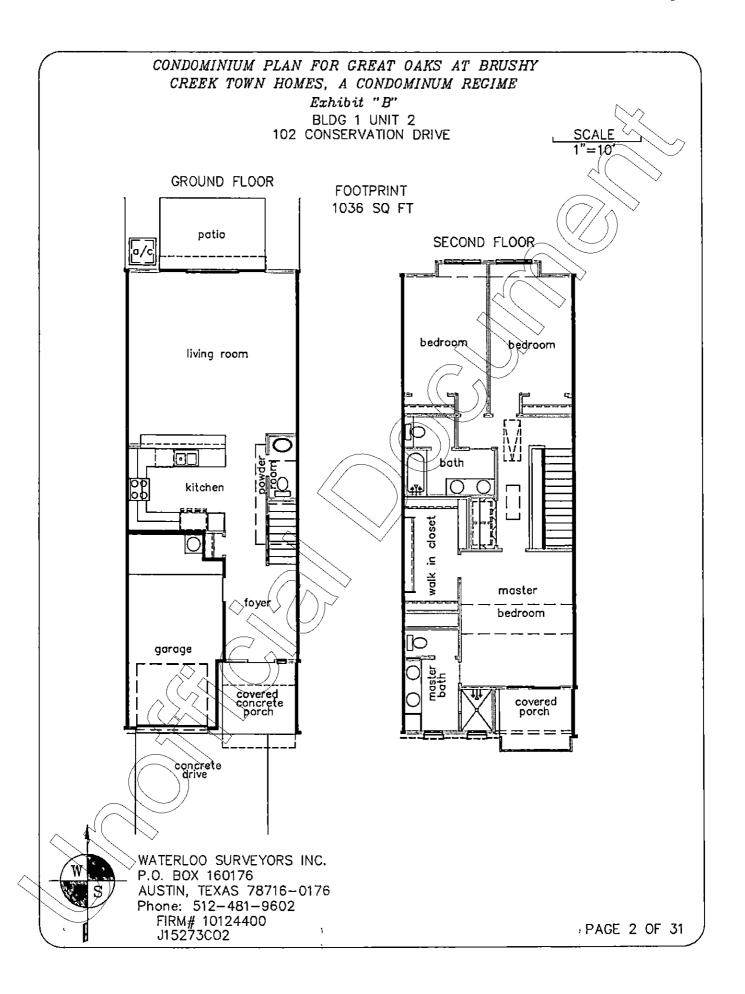


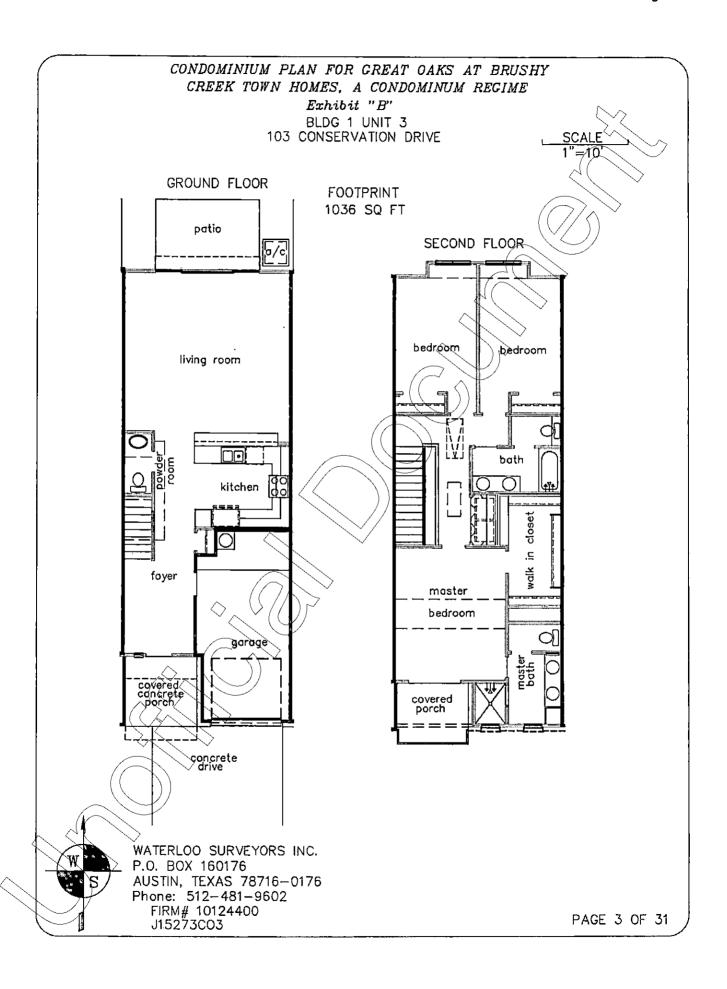
RECORDERS MEMORANDUM
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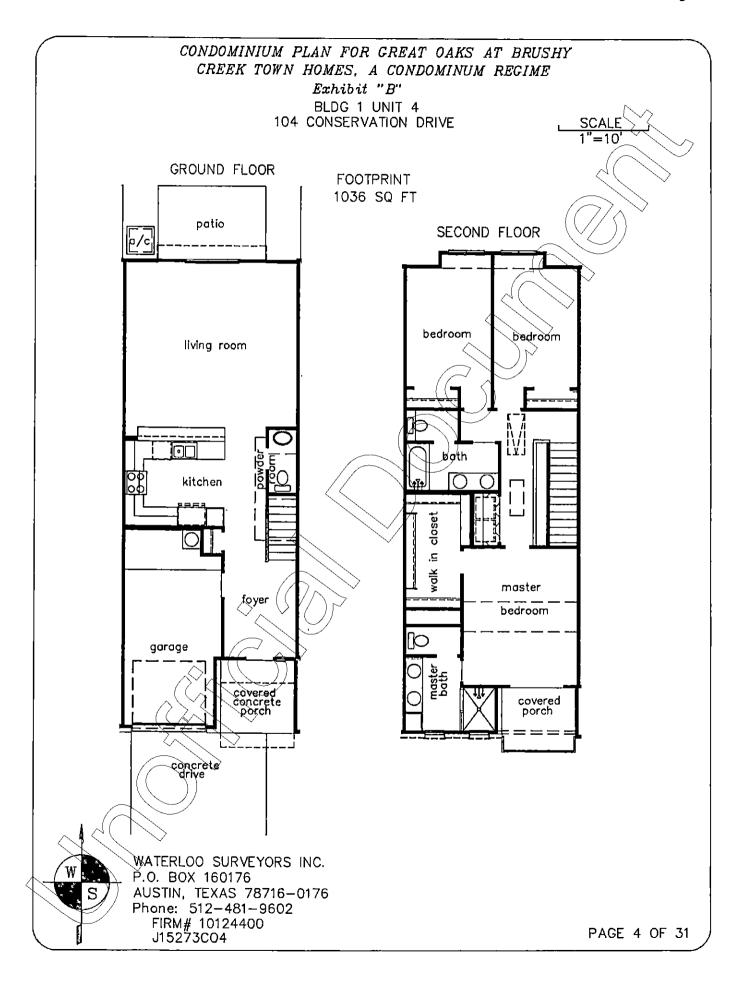


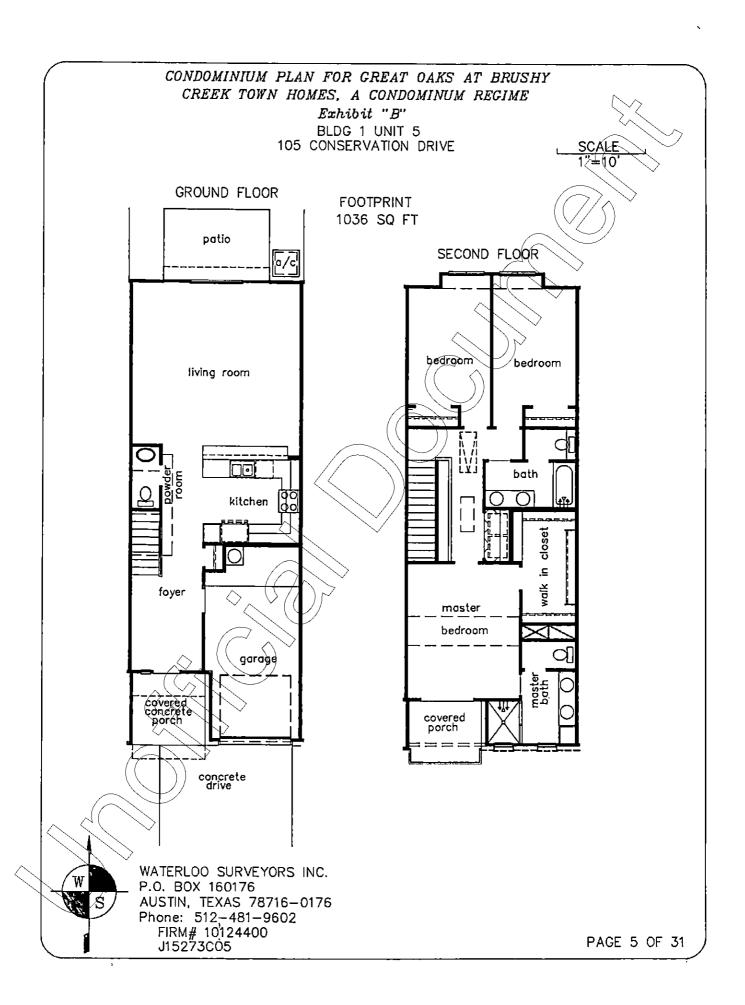


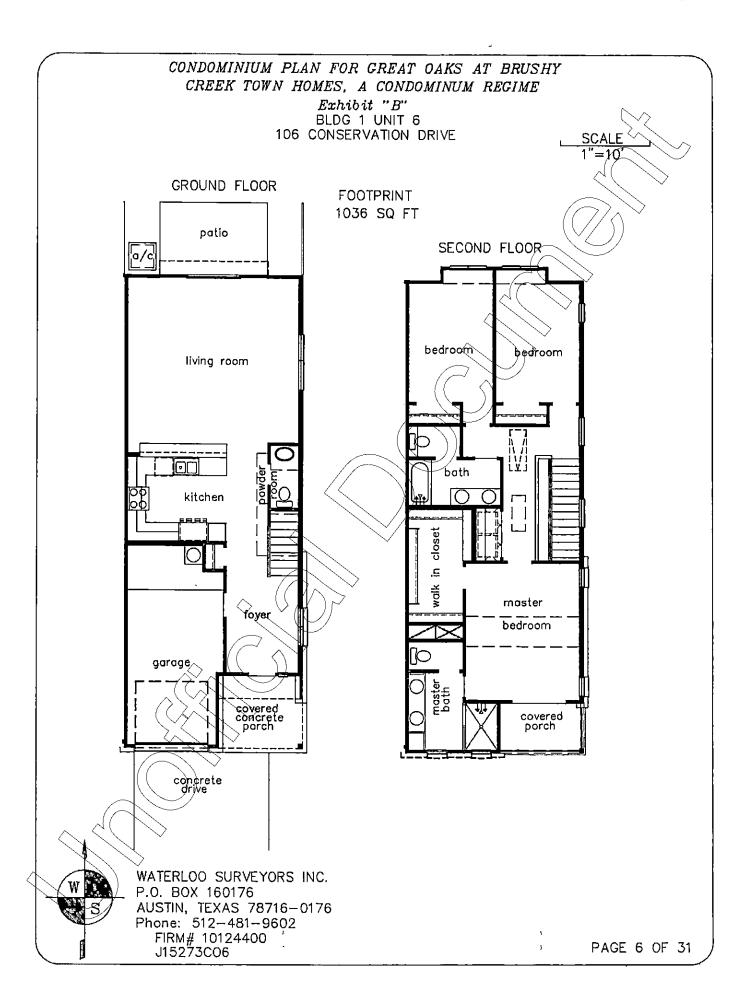


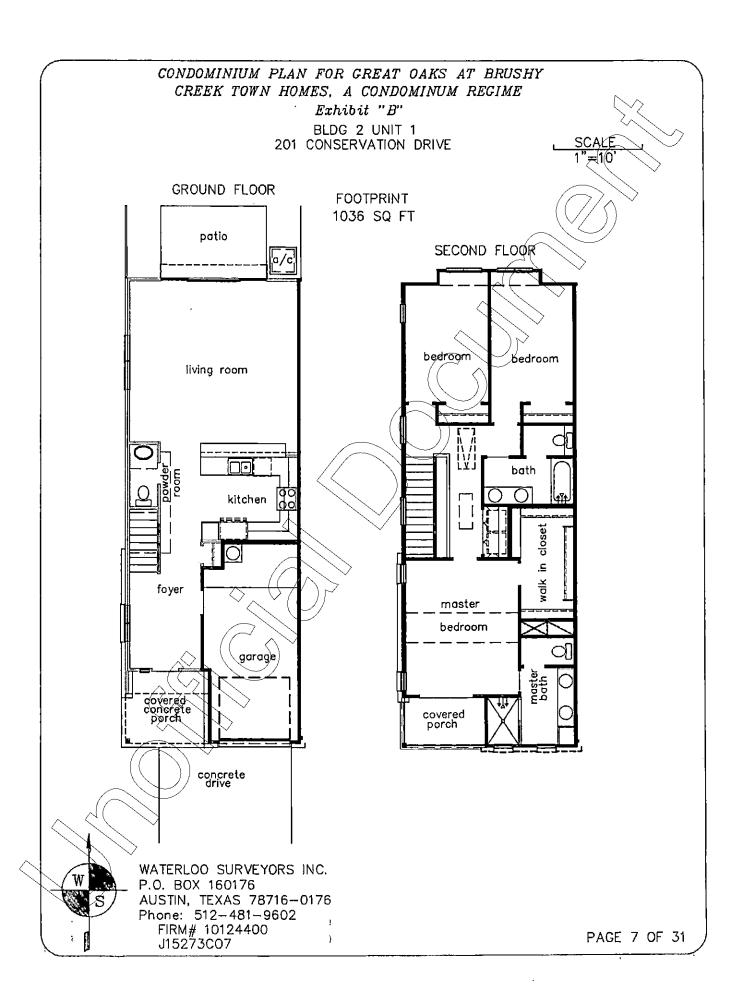


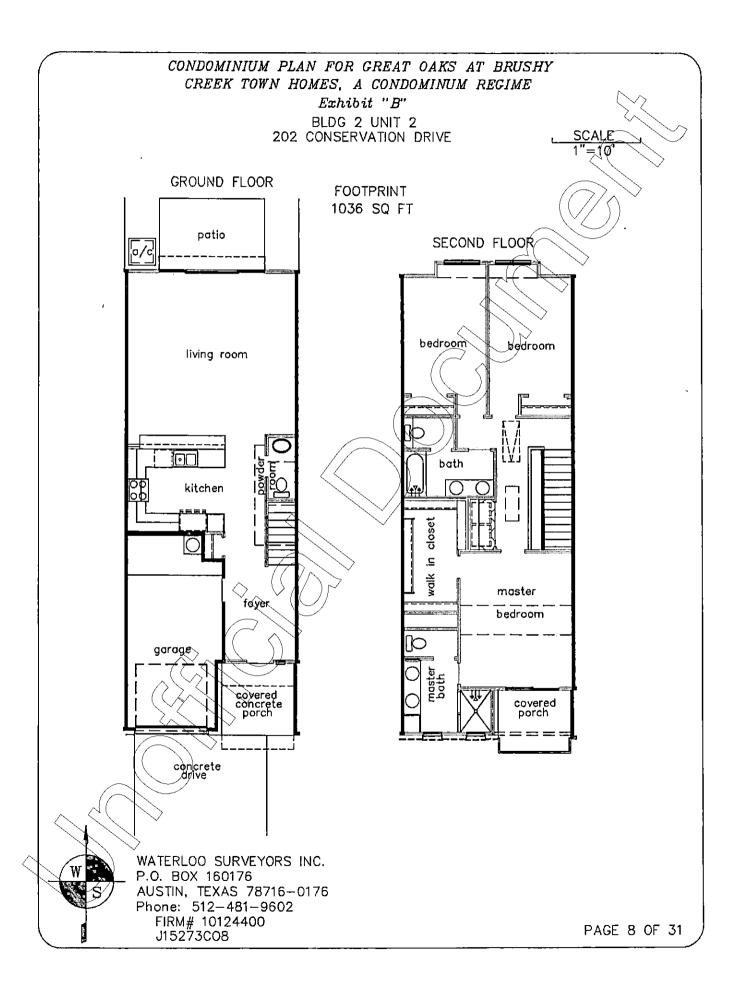


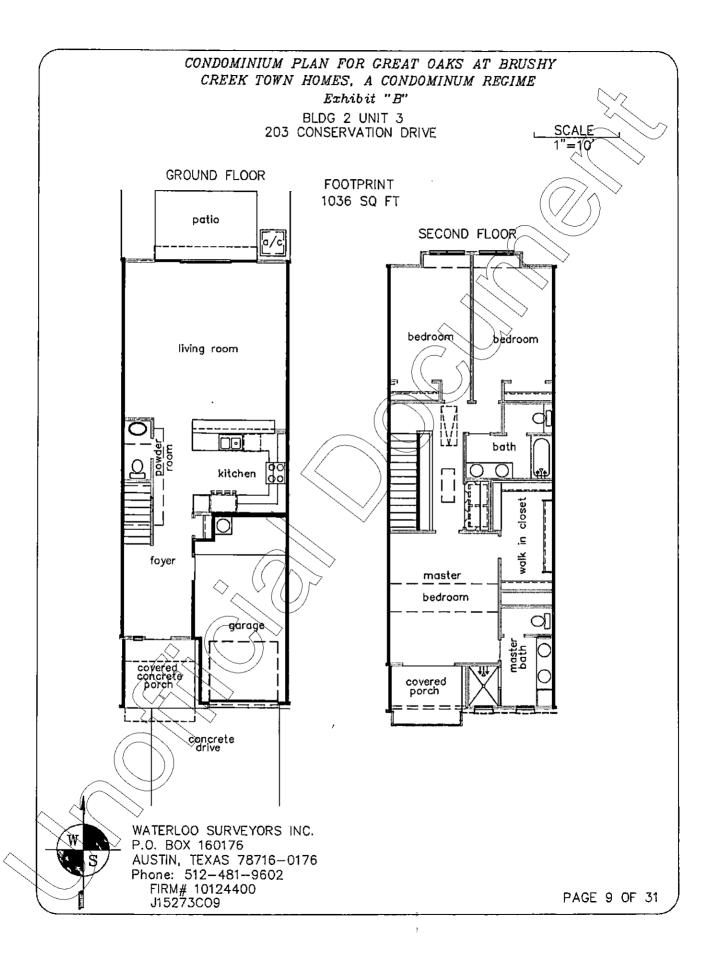


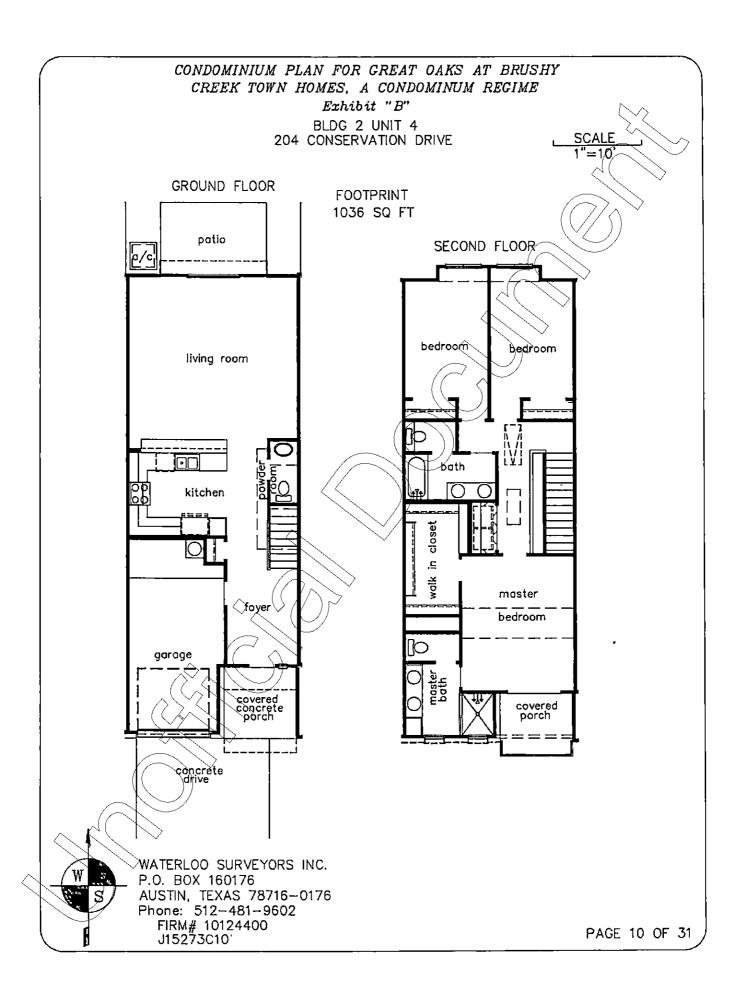


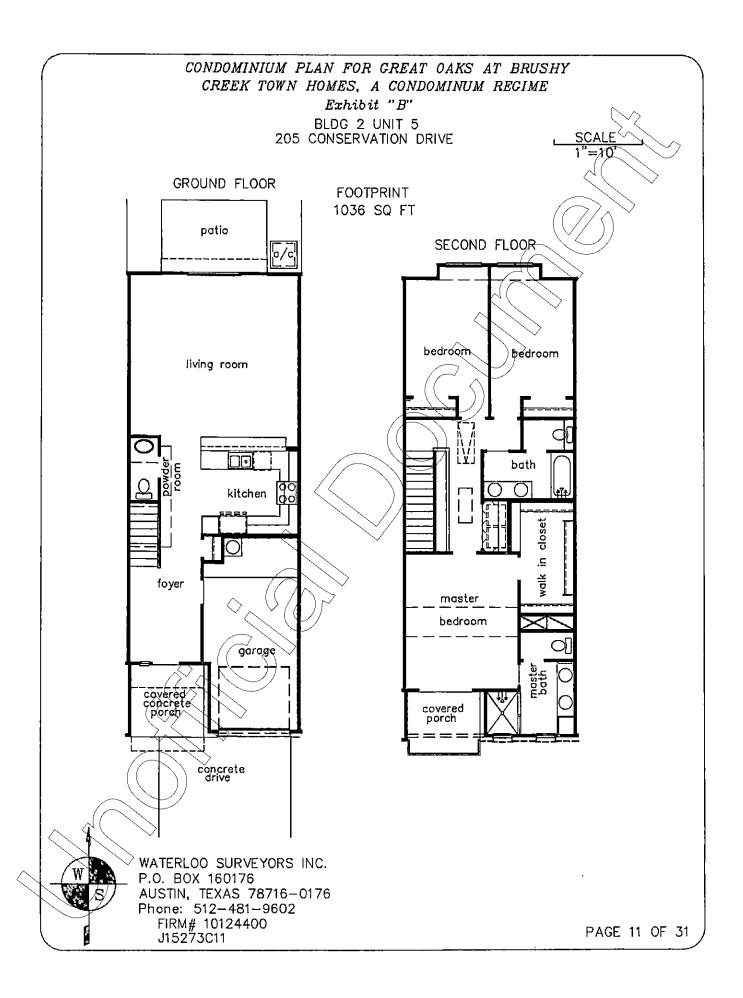


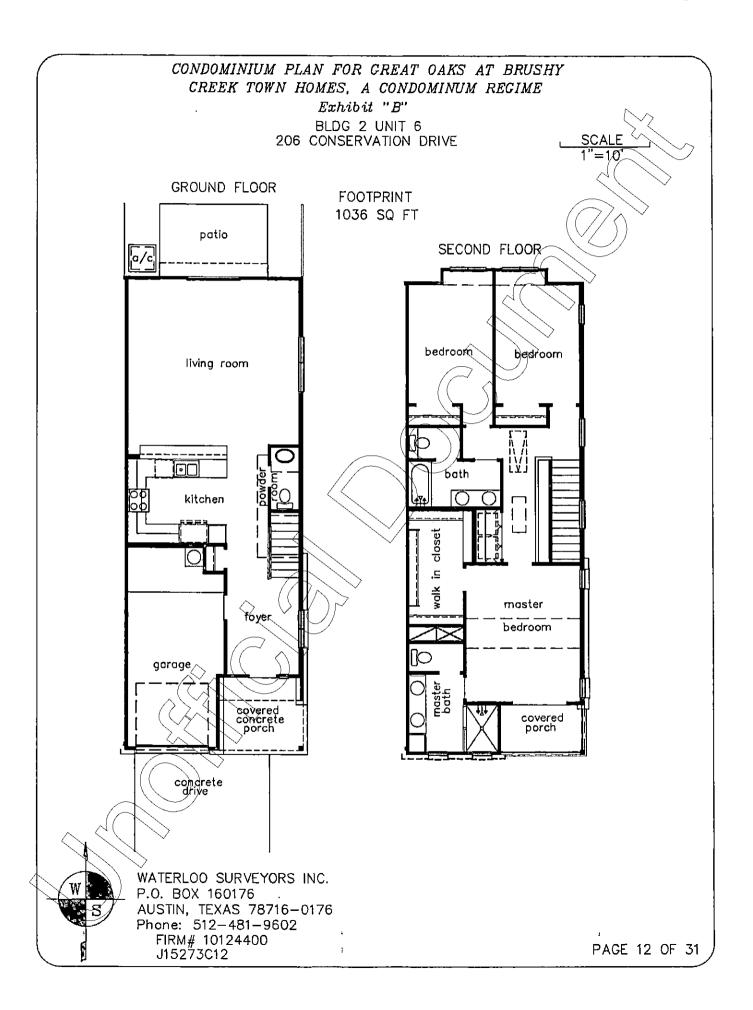


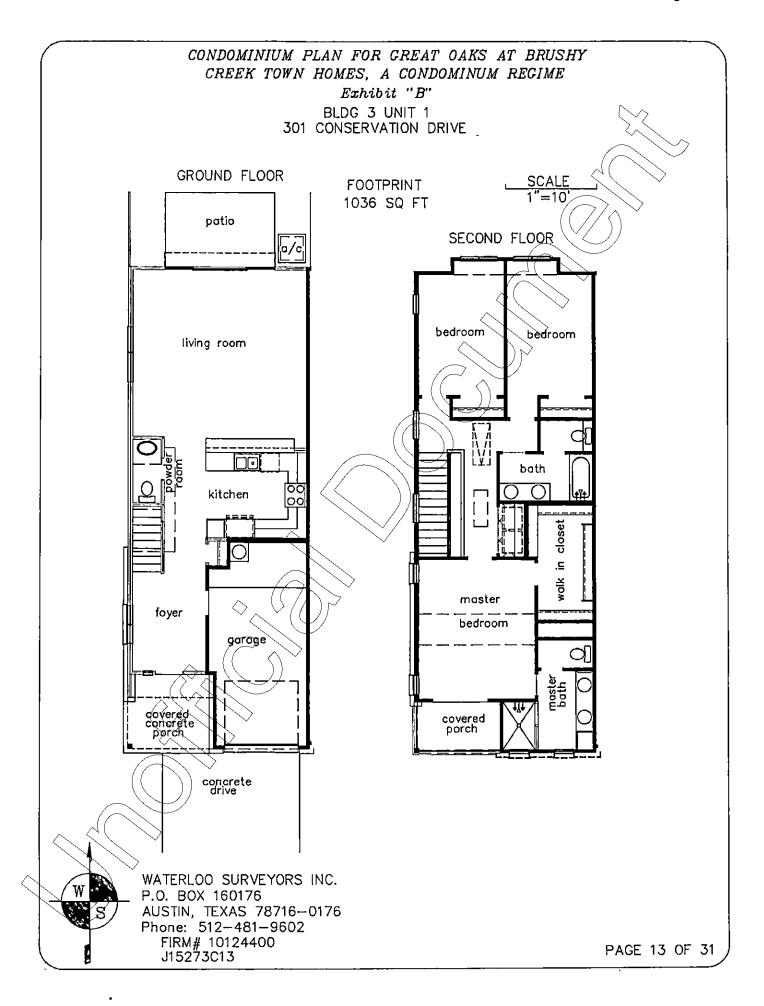


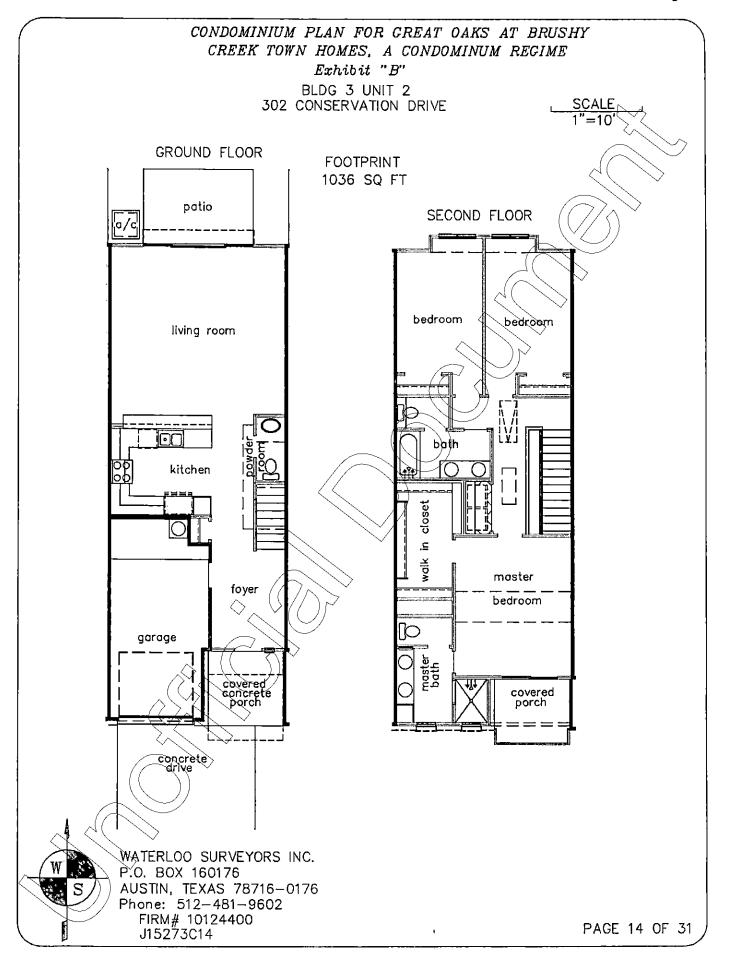


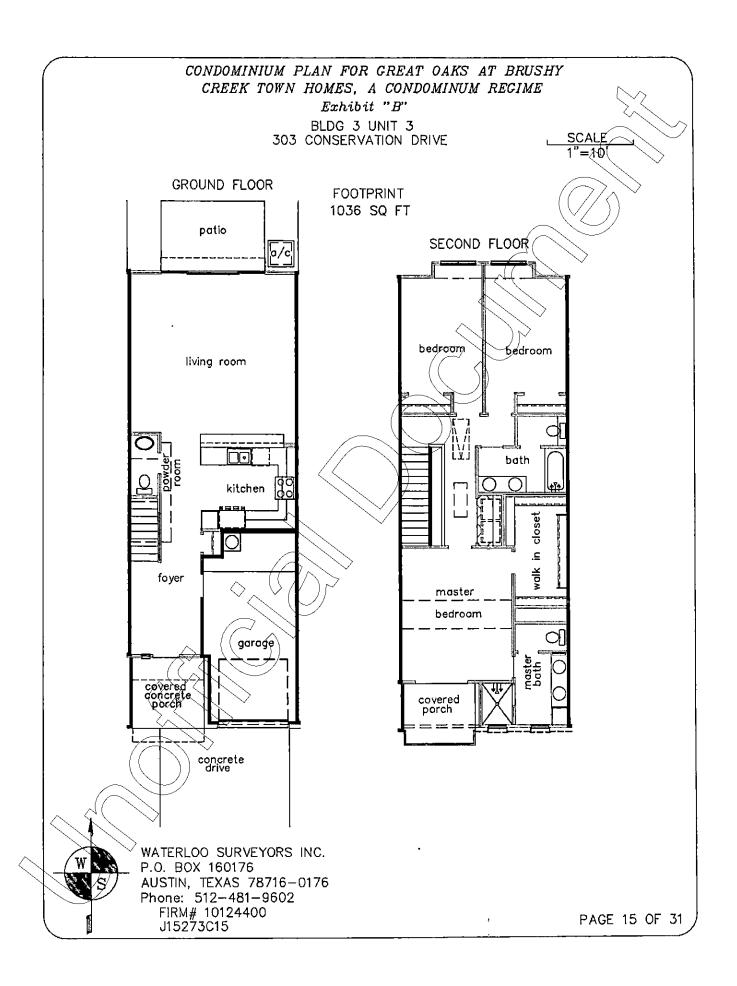


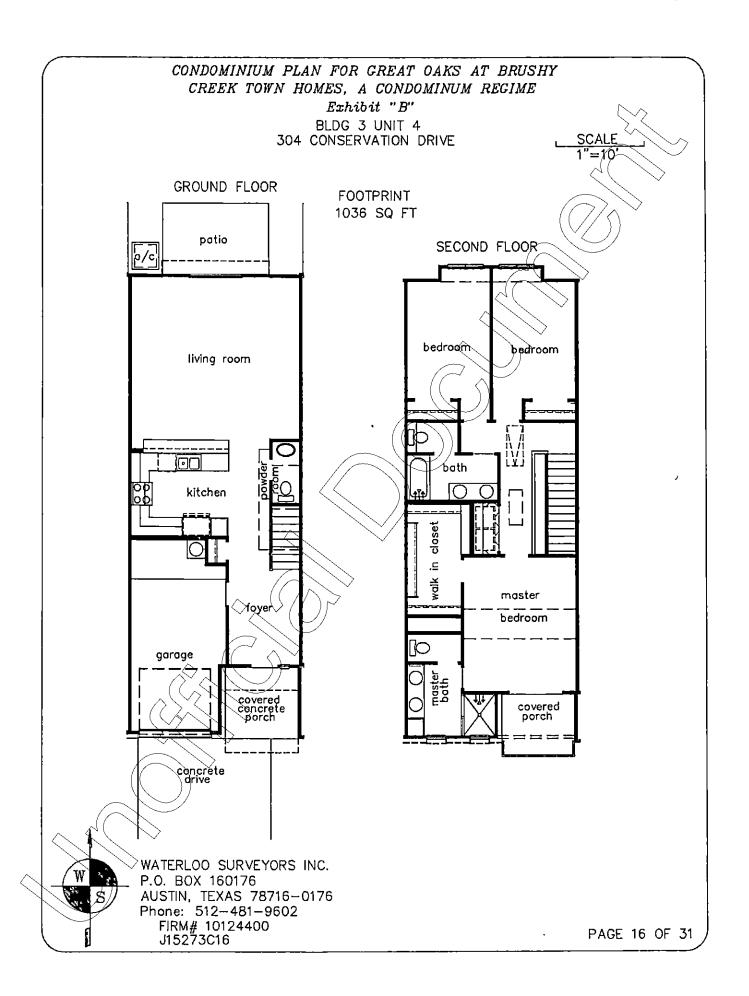


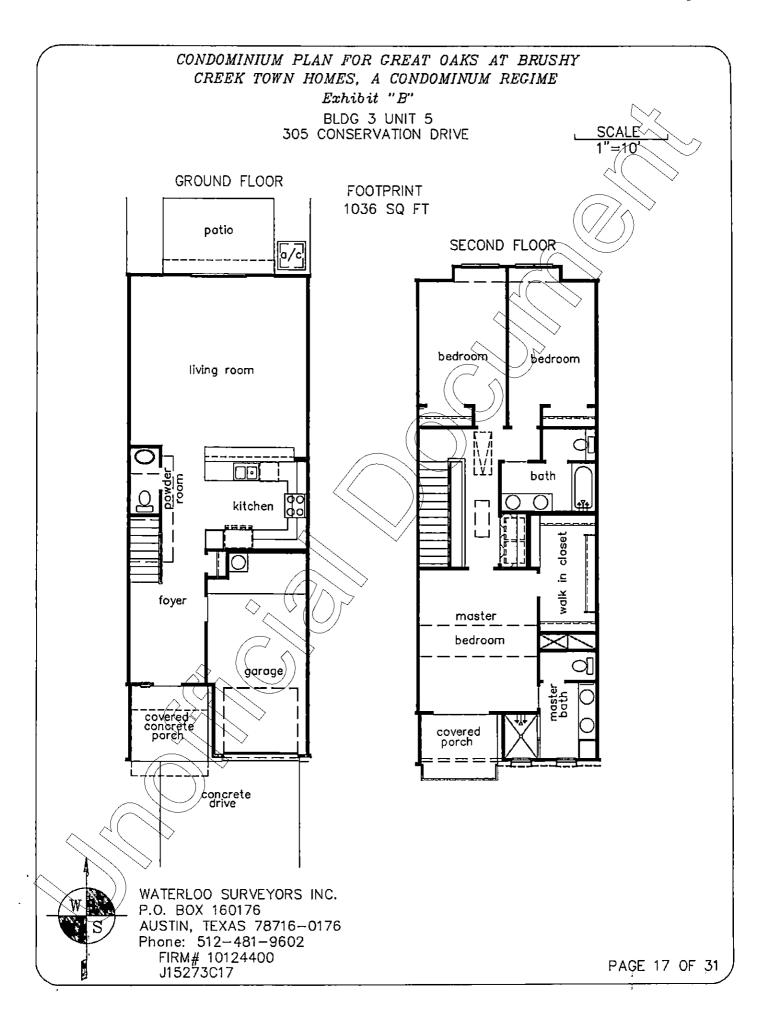


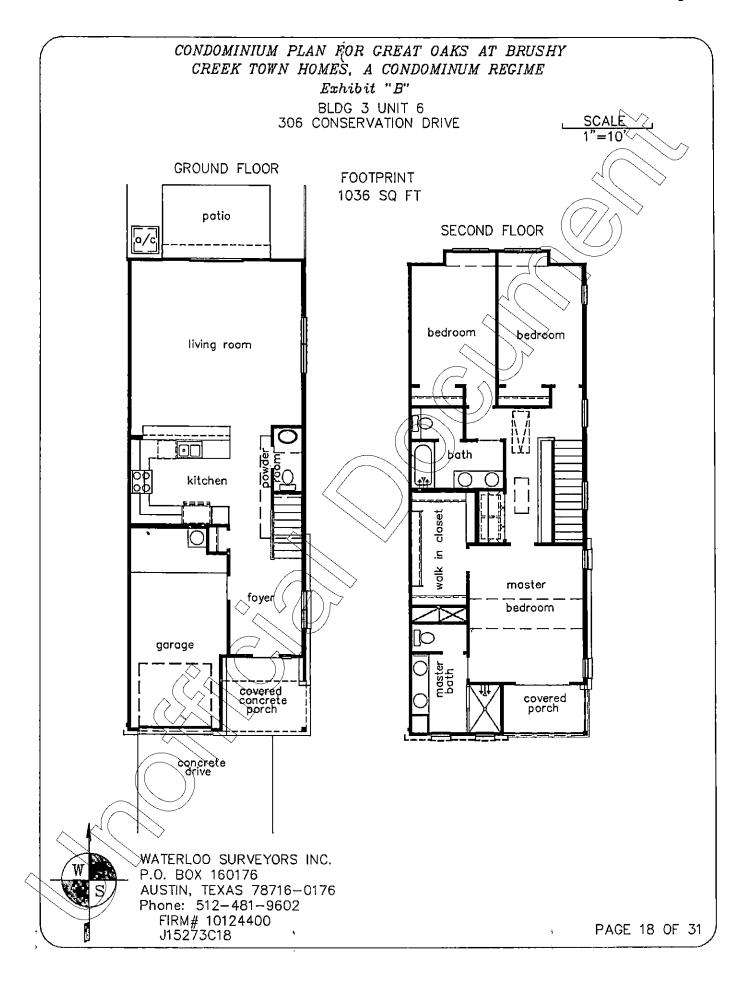


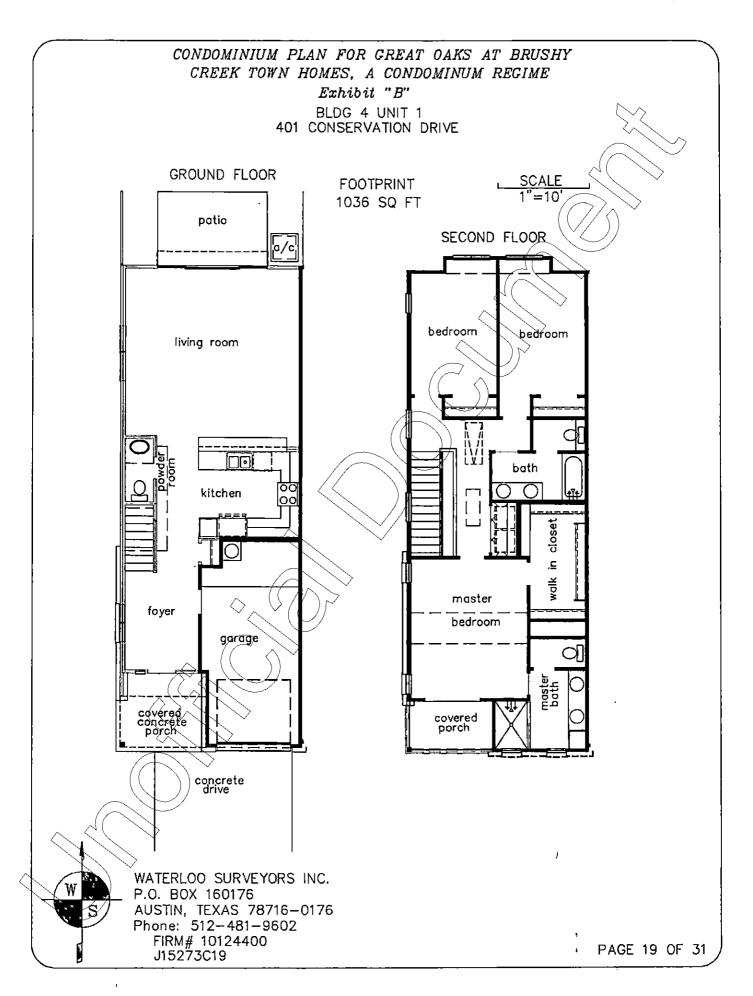


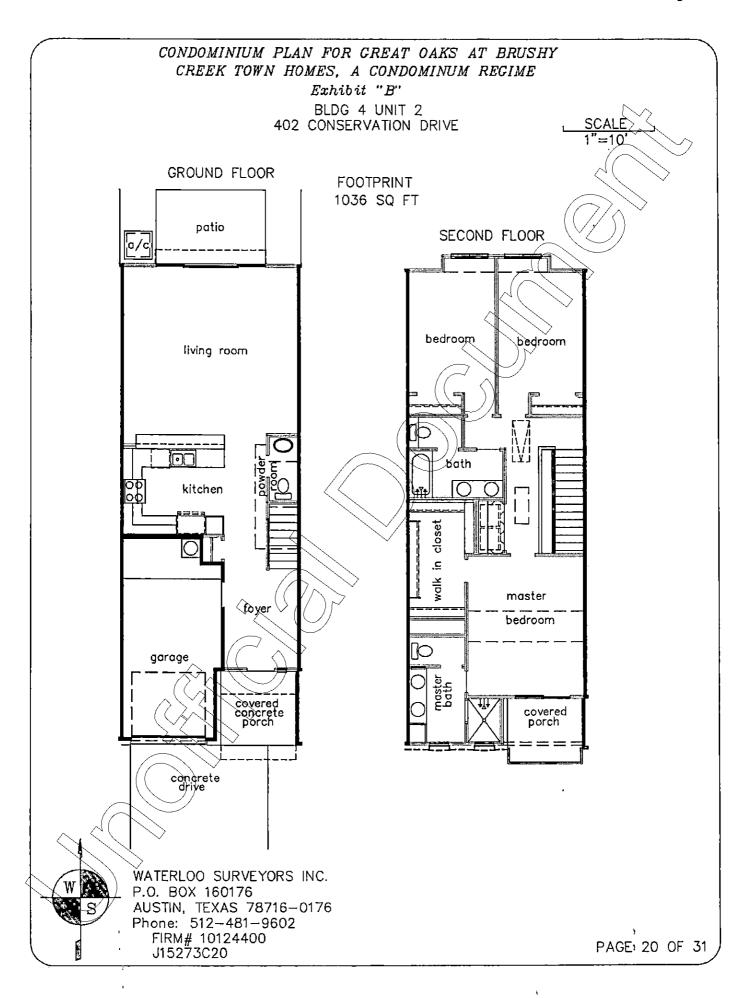


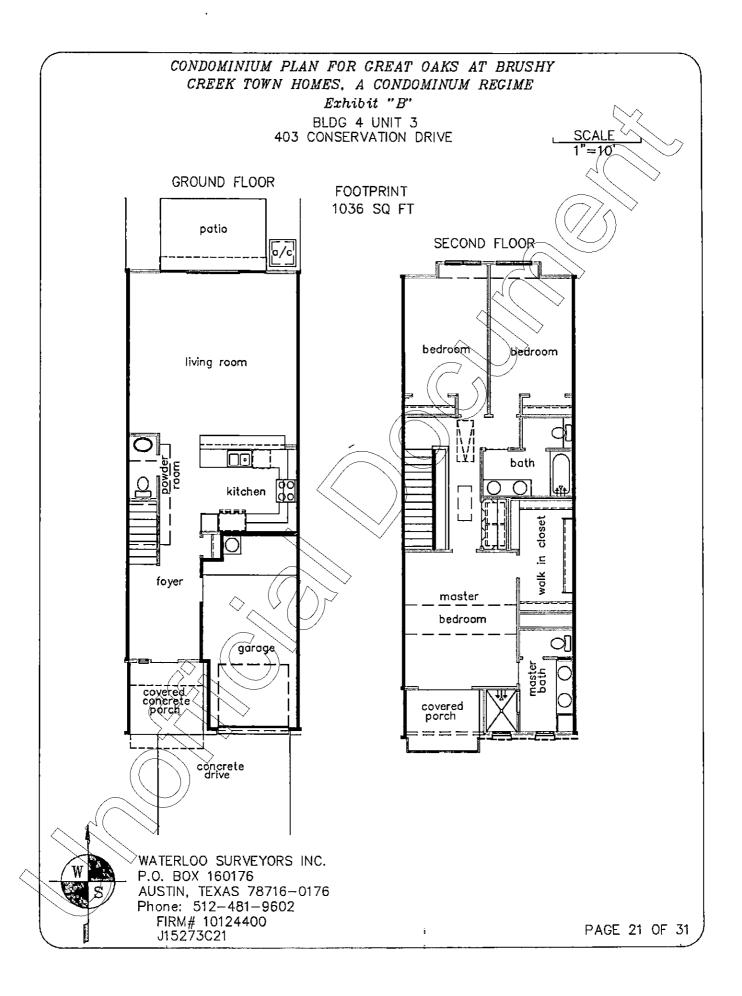


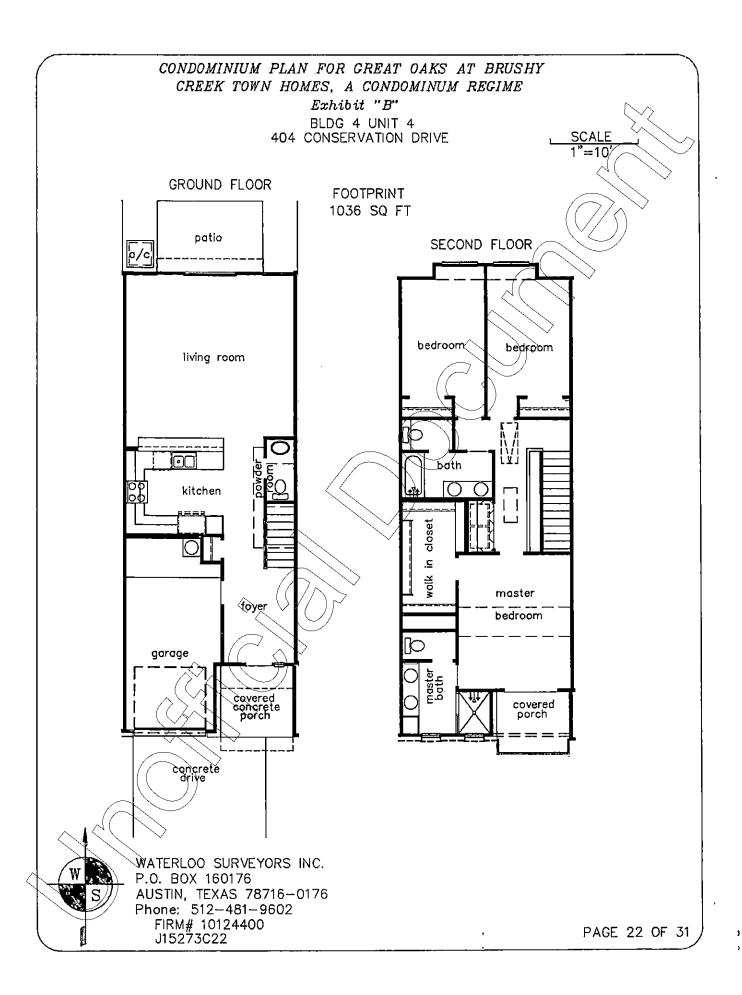


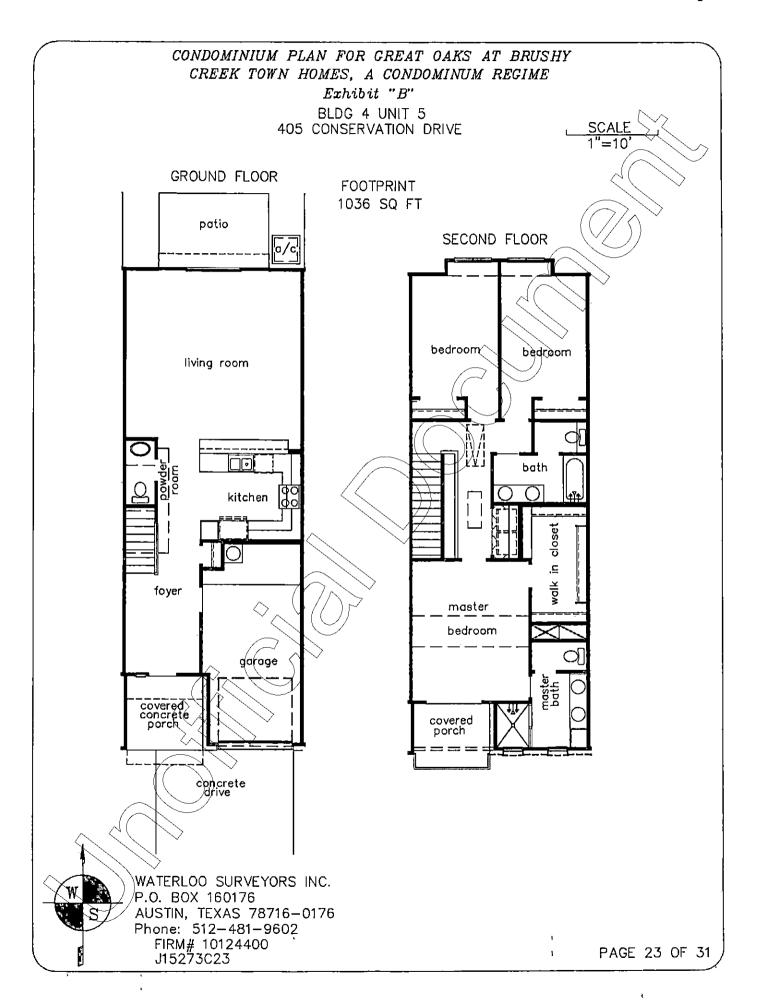


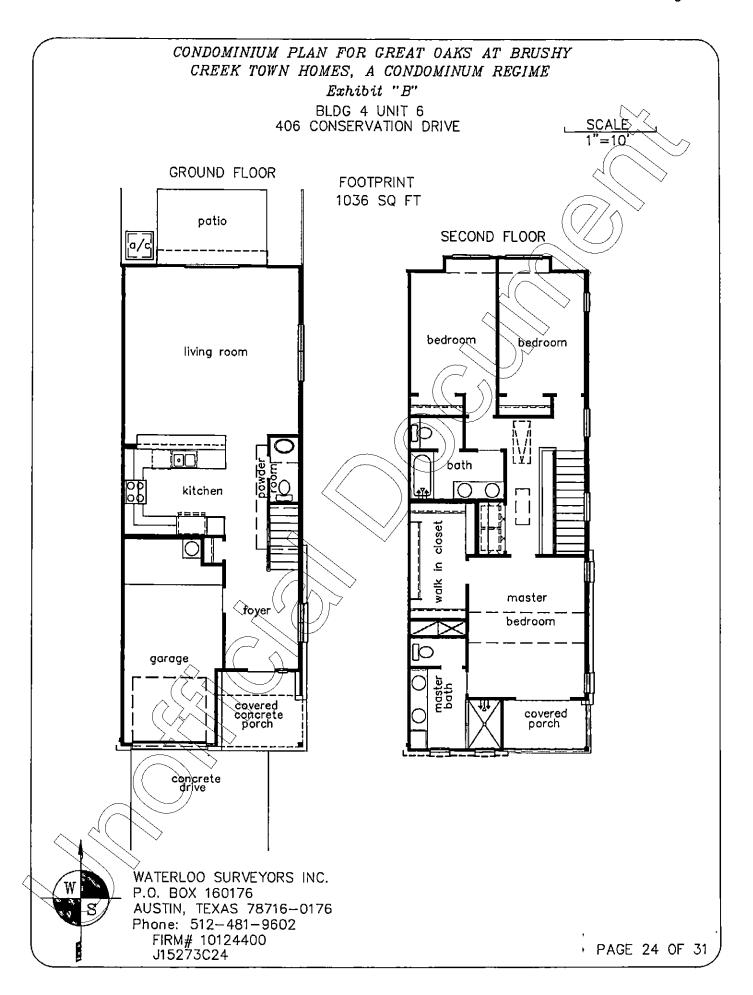


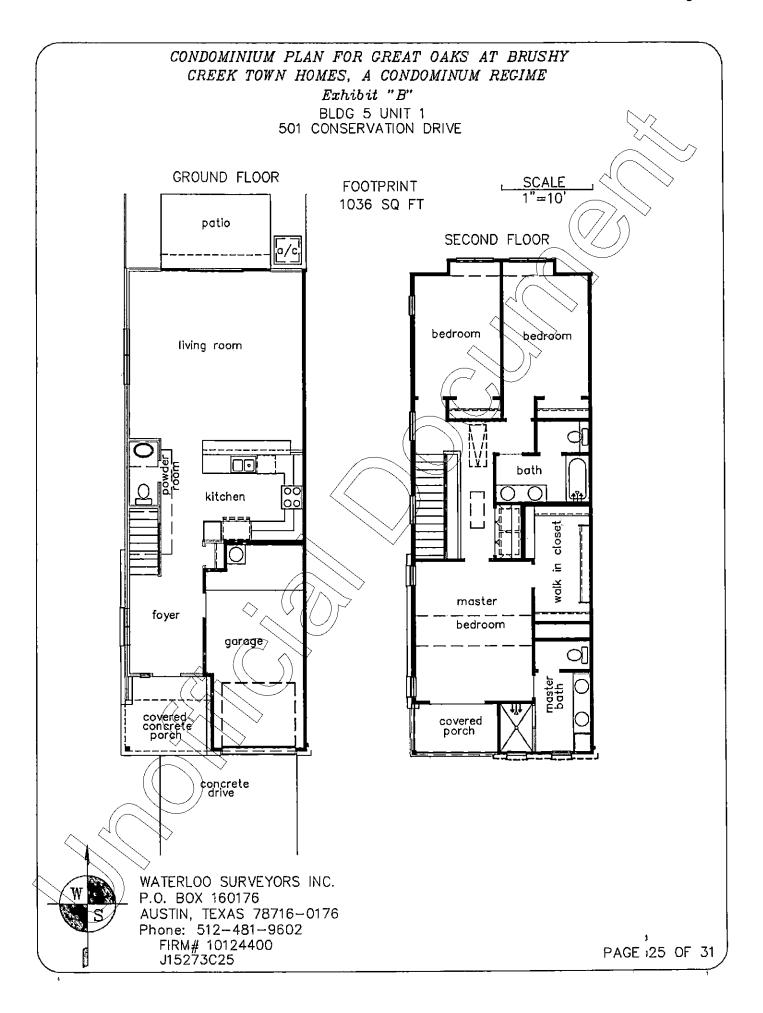


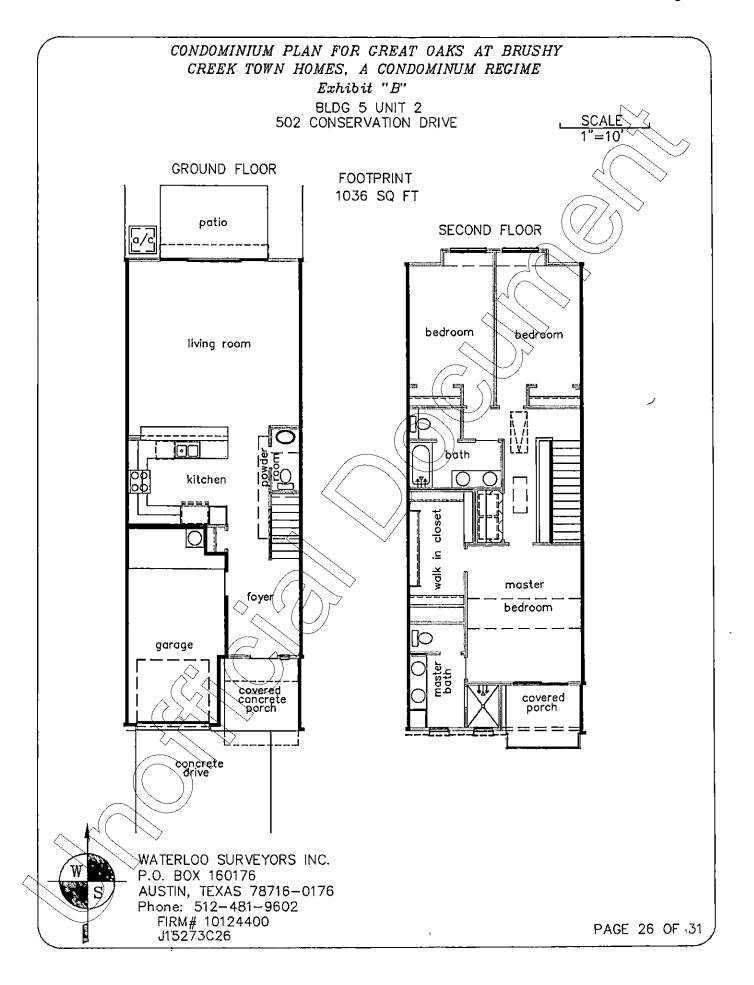


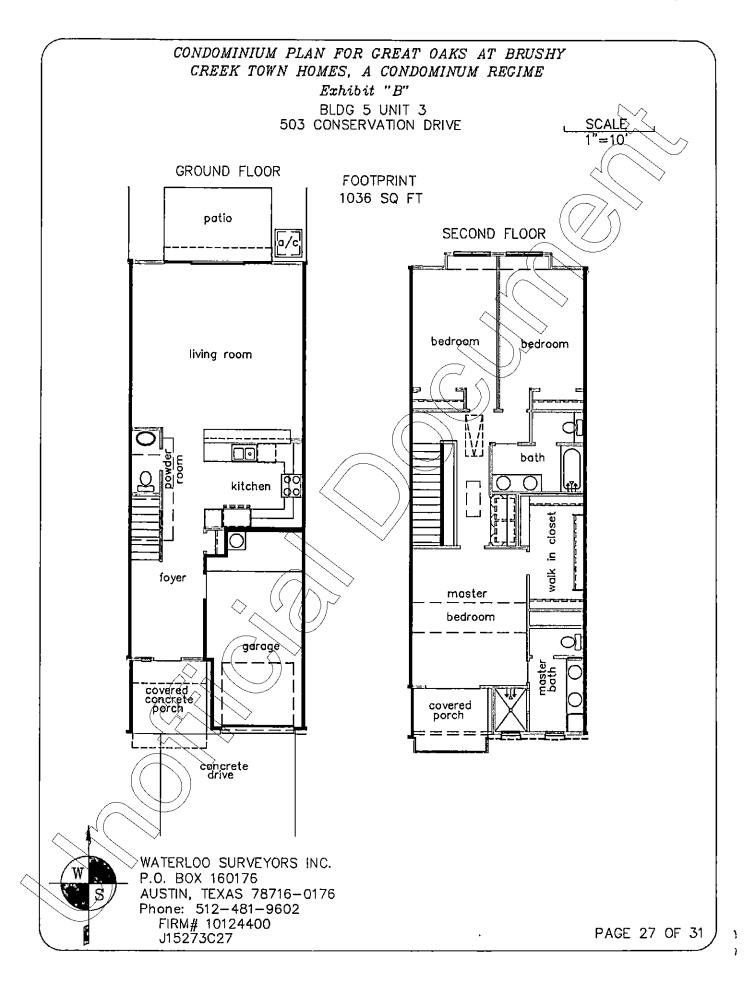


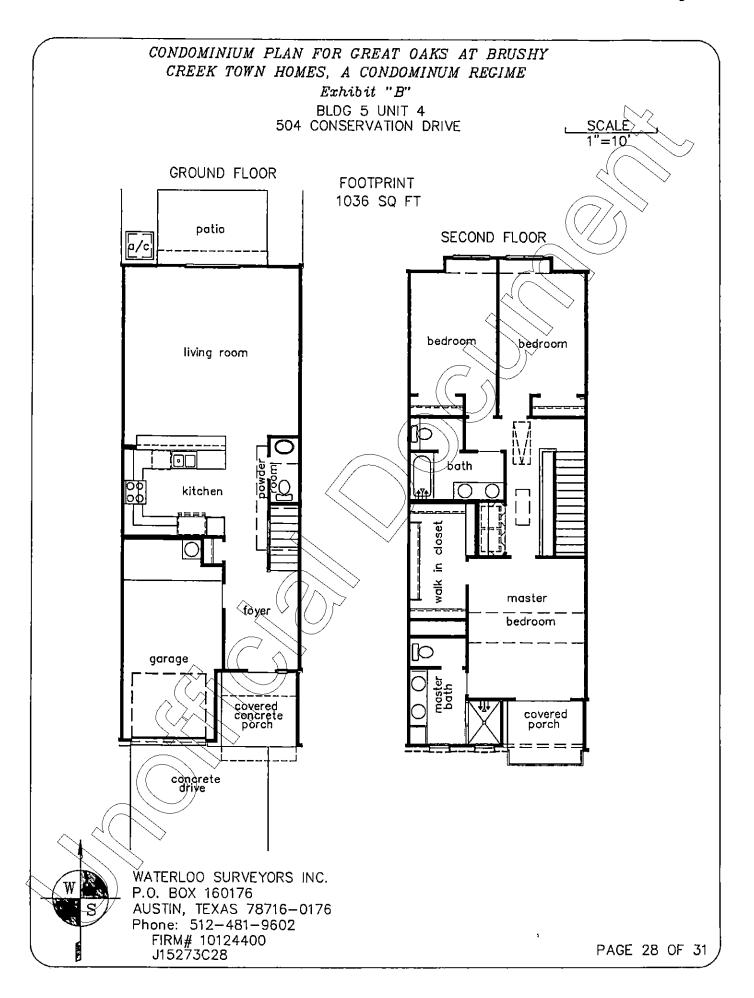


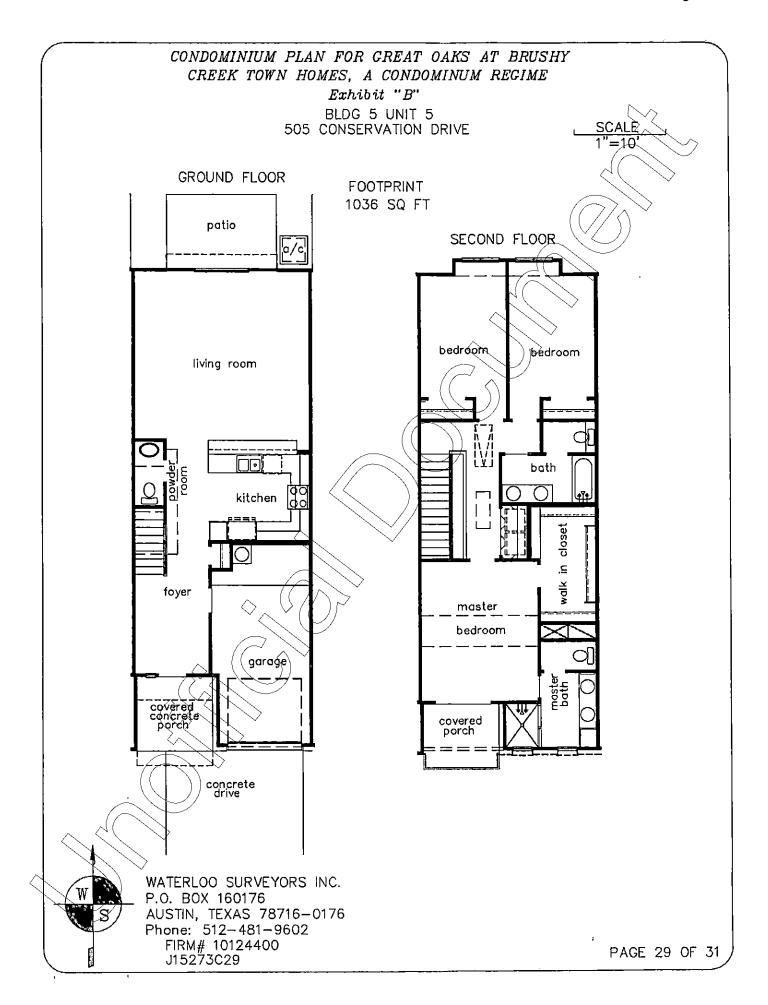


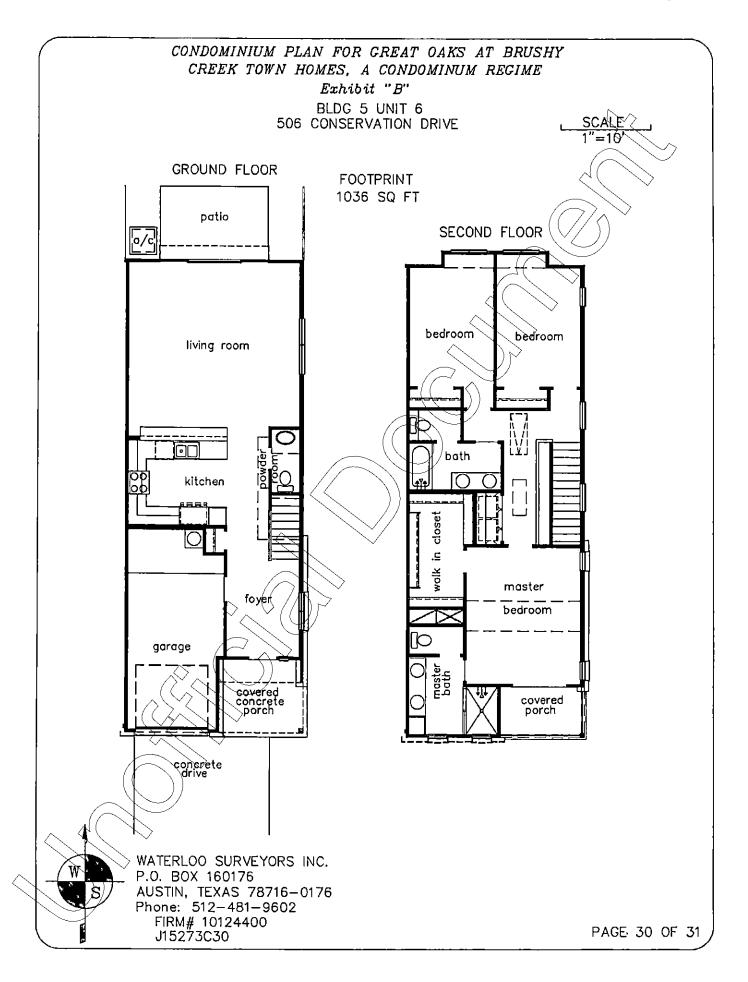












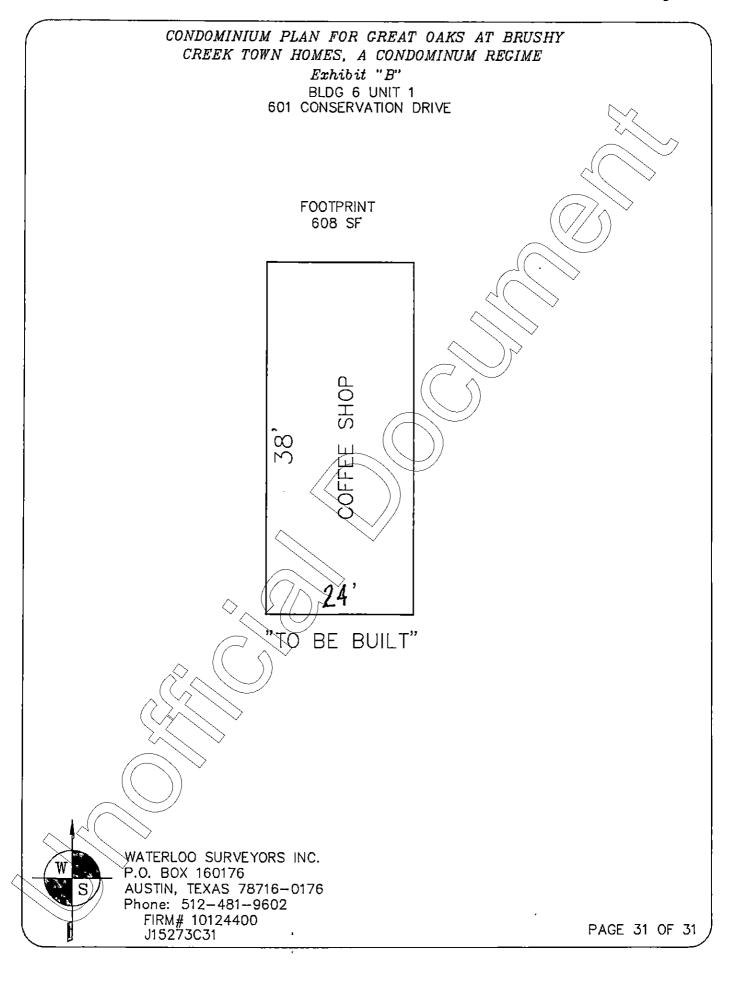


EXHIBIT "C"
Voting Interest

Unit Number	Percentage Interest
1	3.23%
2	3.23%
3	3.23%
4	3.23%
5	3.23%
6	3.23%
7	3.23%
8	3.23%
9	3.23%
10	3.23%
11	3.23%
12	3.23%
13	3.23%
14	₹3.23%
15	3,23%)
16	3.23%
17	3,23%
18	3/23%
19	3.23%
20 //	3.23%
21	3.23%
22	3.23%
(23)	3.23%
24	3.23%
25	3.23%
(26)	3.23%
	3.23%
27/	3.23%
29	3.23%
30	3.23%
31	3.23%
Total	100.00%

EXHIBIT "D" Excluded Common Elements

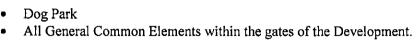




EXHIBIT "F" EASEMENTS AND ENCUMBRANCES

- 1. Declaration of Covenants, Restrictions and Development Standards made by Brushy Creek Municipal Utility District of Williamson County, a municipal utility district operating under the authority of Chapters 49 and 54, Texas Water Code, as amended, recorded in Document No. 2019019584, in the Official Public Records of Williamson County, Texas.
- 2. Restrictive Covenants recorded in Cabinet O, Slide 208, Plat Records, Williamson County, Texas.
- 3. 7.5' Public Utility Easement along the common dividing lines of Lot 48 and 49 and Lots 49 and 50 as shown on the plat and dedication recorded in Cabinet O, Slide 208, Plat Records, Williamson County, Texas.
- 4. 5' Wastewater Easement adjacent to the rear public utility easement in the northeast corner of Lot 50 as shown on the plat and dedication recorded in Cabinet O, Slide 208, Plat Records, Williamson County, Texas.
- 5. Equipment Station Easement on the western corner of Lot 50 as shown on the plat and dedication recorded in Cabinet O, Slide 208, Plat Records, Williamson County, Texas.
- 6. 15' Public Utility Easement along the O'Connor Drive and Great Oaks Drive lot lines and the rear lot lines and 15' along the northeast side lot line of Lot 48 as shown on the plat and dedication recorded in Cabinet O, Slide 208, Plat/Records, Williamson County, Texas.
- 7. 10' Public Utility Easement along the streets right-of-way lot lines as stated on the plat and dedication recorded in Cabinet Q, Slide 208, Plat Records, Williamson County, Texas.
- 8. Building setback lines as shown on the recorded plat and dedication set out in Cabinet O, Slide 208, Plat Records, Williamson County, Texas.
- 9. Electric and telephone lines and systems easement recorded in Volume 856, Page 76, Deed Records, Williamson County, Texas.
- 10. Equipment station easement recorded in Volume 1079, Page 144, Deed Records, Williamson County, Texas.
- 11. Agreement between Brushy Creek MUD, Hy-Land Land Joint Venture, Hy-Land North Joint Venture, Highland Six Twenty Residential, Ltd. and Highland 620 Land Investment, Ltd., recorded in Document No. 2007066341, Official Public Records, Williamson County, Texas.
- 12. Inclusion within the Upper Brushy Creek WCID #1A.
- 13. Any claim, right, or assertion of title by the adjoining land owner in and to that strip of land located between the property line and the fence(s) as shown on that survey dated November 9, 2017, prepared by Thomas P. Dixon, R.P.L.S. 4324.

14. Terms, conditions, provisions, easements, restrictions, reservations and other matters in the Edwards Aquifer Protection Plan recorded in Document No. 2019000794, Official Public Records, Williamson County, Texas.

(1) ITC

FILED AND RECORDED OFFICIAL PUBLIC RECORDS 2020004236

COND Fee: \$305.00 01/14/2020 03:11 PM

MBARRICK

Nancy E. Rister, County Clerk Williamson County, Texas