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LAKEFRONT SOUTH CONDOMINIUMS CONDOMINIUM INFORMATION STATEMENT

ISSUED OCTOBER 5, 2026

Declarant: LAKEFRONT SOUTH CONDOS, LLC, a Delaware limited liability company

LAKEFRONT SOUTH CONDOMINIUMS
CONDOMINIUM INFORMATION STATEMENT

PURCHASER, READ THIS DOCUMENT FOR YOUR OWN PROTECTION. IT CONTAINS INFORMATION REQUIRED BY STATUTE FOR ALL TEXAS CONDOMINIUMS CREATED AFTER JANUARY 1, 1994.

NAME OF REGIME:	Lakefront South Condominiums
LOCATION OF REGIME:	Restricted Reserve "A", in Block One (1), of The Woodlands Metro Center SEC. 85, an addition in Montgomery County, Texas, according to the map or plat thereof recorded in/under Cabinet Z, Sheet 7125 of the Map/Plat Records of Montgomery County, Texas (the "**Property**")
ADDRESS OF REGIME:	2399 Lake Woodlands Drive, The Woodlands, TX 77381
NAME OF DECLARANT/SELLER:	LAKEFRONT SOUTH CONDOS, LLC, a Delaware limited liability company
ADDRESS OF DECLARANT/SELLER:	9950 Woodloch Forest Drive, Suite 1200, The Woodlands, Texas 77380
EFFECTIVE DATE:	October 5, 2026

This Condominium Information Statement presents certain information regarding the condominium regime and the units being offered for sale by Declarant. It consists of two parts, a narrative portion and an exhibits portion. The exhibits include legal documents that will be required for the creation and operation of the condominium. The exhibits will control in the event of any inconsistency between the exhibits and the narrative.

The condominium regime contemplated by this Condominium Information Statement is in the final stages of formation. Consequently, this Condominium Information Statement and the documents necessary to create the condominium regime are subject to revision. Declarant reserves the right to modify this Condominium Information Statement and such documents as may be required by law, any title insurance company, any mortgagee, or any property insurer, and Declarant reserves the right to make changes that affect the units in the regime, the general common elements, the limited common elements and/or the operation of the condominium regime without notice to or consent of any purchaser, except as provided in Section 17 hereof (the "**General Information**").

This Condominium Information Statement is not intended to be all-inclusive or to address every significant feature of the condominium. Because purchasing real property is an important decision, the purchaser is encouraged to review this Condominium Information Statement with an attorney and to consult other sources for information not covered by this Condominium Information Statement.

Under limited circumstances, a purchaser has a six (6) day period after receiving the Condominium Information Statement during which the purchaser may cancel the contract of sale and obtain a full refund of any money deposited in connection with the contract. This right to cancel does not apply if the purchaser received the Condominium Information Statement before signing the contract or if the contract contains an underlined or bold-print provision acknowledging the purchaser's receipt of the Condominium Information Statement and recommending that the purchaser read the Condominium Information Statement before signing the contract. If the purchaser has such right to cancel and elects to cancel, notice of cancellation must be given pursuant to Section 82.156 of the Texas Uniform Condominium Act.

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Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Declaration of Condominium Regime for Lakefront South Condominiums, recorded or to be recorded in the Official Public Records of Montgomery County, Texas.

LAKEFRONT SOUTH CONDOMINIUMS
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Exhibit "A"	Condominium Declaration
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Exhibit "D"	Limited Warranty
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LAKEFRONT SOUTH CONDOMINIUMS
CONDOMINIUM INFORMATION STATEMENT

1. REGIME; DECLARANT

LAKEFRONT SOUTH CONDOS, LLC, a Delaware limited liability company ("**Declarant**"), is the developer of Lakefront South Condominiums, the condominium regime which is the subject of this Condominium Information Statement (the "**Condominium Regime**"). The principal office and mailing address of Declarant is 9950 Woodloch Forest Drive, Suite 1200, The Woodlands, Texas 77380. The anticipated mailing address of the Condominium Regime is 401 Congress Ave., Suite 2100, Austin, Texas 78701.

House Resolution 2600, passed as Public Law No. 113-167 on September 26, 2014, and effective on March 25, 2015, exempts the Units (as defined below) from registration under the Interstate Land Sales Full Disclosure Act, 15 USC §1701 et seq. (the "**Act**"); accordingly, the Units are not registered under the Act and a prospective purchaser will not receive a Property Report as contemplated thereunder.

2. CONDOMINIUM OWNERSHIP

The Condominium Regime utilizes the condominium form of ownership and is established pursuant to the Declaration of Condominium Regime for Lakefront South Condominiums, to be recorded in the Official Public Records of Montgomery County, Texas, as may be amended from time to time (the "**Condominium Declaration**"). The Condominium Declaration establishes individual residential units (individually, a "**Residential Unit**" and collectively the "**Residential Units**") and one commercial unit (the "**Commercial Unit**") on the Property. "**Unit**", as used herein, refers to Residential Units and the Commercial Unit. The Condominium Declaration is attached to this Condominium Information Statement as Exhibit "A".

Within the Condominium Regime, each owner of a Unit will own its individual unit in its entirety. All other portions of the Condominium Regime will be designated as "**Limited Common Elements**" or "**General Common Elements**" of the Condominium Regime assigned for the exclusive use of one or more owners of Units. The General Common Elements and the Limited Common Elements will be maintained by the Association, with the maintenance costs, capital repairs, reserve funds, insurance premiums, and administrative costs allocated to each Unit under the Condominium Declaration. The Association will levy and collect each Unit's allocated share of these expenses as "**Regular Assessments**". Regular Assessments are allocated to each Unit based on size.

Further, the Owner of the Commercial Unit is entitled to provide Commercial Unit Services (as defined in the Declaration) to Residential Units, and aggregate fees charged by the Owner of the Commercial Unit will constitute a Commercial Unit Services Expense (as defined in the Declaration) and will also be levied as a Commercial Unit Services Assessment on each Residential Unit pursuant to the Declaration. The Owner of the Commercial Unit will prepare and approve an annual budget with the estimated reasonable expenses to be incurred by the Owner of the Commercial Unit for each fiscal year to provide the Commercial Unit Services. If, during the course of a budget year, the Owner of the Commercial Unit reasonably determines that Commercial Unit Services Assessments are insufficient to cover the estimated costs and expenses for the remainder of the year, the Owner of the Commercial Unit may increase Commercial Unit Services Assessments for the remainder of the budget year in an amount that covers the estimated deficiency. The Commercial Unit Services Expense Allocation (as defined in the Declaration) is assigned to each Residential Unit in accordance with a ratio of one (1) to the total number of Residential Units. The same formula will be used in the event there is any increase or decrease in the number of Residential Units subject to this Declaration.

Several expenses associated with certain components and functions of the Regime have been allocated in a manner other than by common expense liability and such different allocations are set forth in the Lakefront South Condominiums Allocation Document, attached hereto as Exhibit "B" (the "**Allocation Document**").

3. PROPERTY; UNITS

The Condominium Regime initially creates one hundred and fifteen (115) Residential Units and one (1) Commercial Unit on the Property, a total of one hundred and sixteen (116) Units. The Declarant has reserved the right to create up to one hundred twenty (120) Units which may be created by subdividing and/or combining one or more Units or converting Units and/or additional space in the building into Units. The minimum number of additional Units that may be created is zero (0) and the maximum number of additional Units that may be created is four (4). As more fully described in the Condominium Declaration, the Units may be used for residential and commercial purposes, as applicable.

No assurance is given as to the dispersion of Units, the total number of Units, or the size of Units to be created. Additional Units may be added through the conversion of Common Elements to Units, the subdivision of Units, and through the addition of land and the creation of Units thereon. The Declarant may also elect to modify the type, boundaries and size of Units and reserved the right to assign parking areas for the exclusive use of a Unit.

4. THE ASSOCIATION

By acquiring a Unit, you will be under the jurisdiction of Lakefront South Condominium Community, Inc. (the "**Association**"). The Association will be a Texas nonprofit corporation. During the "**Declarant Control Period**", as defined in the Condominium Declaration, Declarant will retain certain rights regarding operation and administration of the Association (the "**Declarant Control Period**"). The period of time that the Declarant is allowed to retain control of the Association through the appointment of board members and officers is limited by the Texas Uniform Condominium Act, which limitations are described below.

Prior to such time as 50% percent of the maximum number of Units that may be created pursuant to the Condominium Declaration have been conveyed to owners other than Declarant, or earlier if Declarant so determines, Declarant will have the exclusive authority to appoint and remove all directors and officers of the Association. Within 120 days after 50% of the maximum number of Units that may be created pursuant to the Condominium Declaration have been conveyed to owners other than Declarant, at least one-third of the Board must be elected by owners of Units within the Condominium Regime other than Declarant. Within 120 days after 75% of the maximum number of Units that may be created pursuant to the Condominium Declaration have been conveyed to owners other than Declarant, the Board will consist of three (3) members consisting of one (1) member appointed by the Commercial Unit Owner and two (2) members elected by the Residential Unit Owners, in accordance with the Bylaws.

5. DESCRIPTION OF UNITS

The Units are more particularly described on Exhibit "B" to the Condominium Declaration. Each purchaser is advised that Exhibit "B" to the Condominium Declaration includes a description of the Units prior to construction and the size of Units may change during construction. All references to square

footage sizes of floorplans or Units in this Condominium Information Statement, on any website maintained by the Declarant or a broker, or on any marketing material provided to the purchaser is an estimate only. Purchasers should rely solely on Section 4.2 of the Condominium Declaration for a description of the Unit.

BOUNDARIES OF UNITS

The size of a Unit may be measured in different ways for different purposes, such as for tax purposes, appraisal purposes, sales purposes, and for purposes of carpeting and paint. No single measurement is definitive for all purposes. Measurements may be of the area under roof, or the air conditioned space, or the area within the Unit's legal boundaries. The Unit's partition wall cavities and/or its perimeter wall cavities may or may not be included. The Unit's balcony space may or may not be included. The legal boundary of each Unit is determined by Section 4.2 of the Condominium Declaration. The Plat and Plans are approximate, for descriptive purposes only, and the dimensions or area shown thereon may differ from the legal boundaries of the Unit as established pursuant to Section 4.2 of the Condominium Declaration.

6. ESTIMATED MONTHLY ASSESSMENTS; FEES PAYABLE TO THE ASSOCIATION AT CLOSING; AND THE SALES RESTRICTION PERIOD

The Condominium Declaration requires each purchaser of a Residential Unit to contribute three (3) months of monthly Regular Assessments and three (3) months of Residential Unit Assessments to the Association's working capital fund. This amount will be paid when the purchaser acquires title to the Unit at and will be a part of the purchaser's closing costs. An estimate of the initial monthly Regular Assessments and Residential Unit Assessments is included on Exhibit "C". Contributions to the working capital fund are not advance payments of Assessments and are not refundable. Declarant will not use working capital funds to cover the Association's operational expenses during the Declarant Control Period.

Also at closing, and in addition to the amounts paid under the preceding paragraph, each purchaser of a Unit will pay two (2) months of Regular Assessments and two (2) months of Residential Unit Assessments to the Association. This payment of Regular Assessments and Residential Unit Assessments is an advance payment; hence the purchaser will receive a credit against the Regular Assessments and Residential Unit Assessments for the first two (2) months after closing. The purchaser is also required to pay a prorated amount of Regular Assessments and Residential Unit Assessments if the closing occurs in a partial month. This prorated charge is in addition to the two (2) months of Regular Assessments and two (2) months of Residential Unit Assessments that are paid in advance.

The purchaser is also advised that the Condominium Declaration provides that no owner shall offer any Residential Unit for sale in any way during the Sales Restriction Period. "Sales Restriction Period" is defined as a period commencing on the date that a Residential Unit is conveyed to an owner by Declarant and ending on the earlier of (i) twelve months after the date of the conveyance of such Residential Unit to the Owner by Declarant or (ii) the date the last of the Residential Units with the same number of bedrooms as such Residential Unit (e.g., one bedroom, two bedroom or three bedroom Residential Units) is conveyed to an Owner by Declarant. At closing, Declarant may require purchasers to sign a statement confirmed purchasers' acknowledgement of the Sales Restriction Period (the "**Sales Restriction Period Certificate**").

7. EASEMENTS, RESTRICTIONS, LIENS, LEASES OR ENCUMBRANCES

Title to each Unit and all Common Elements will be subject to all easements, restrictions, liens, leases and encumbrances recorded against the Property and easements established by the Condominium Declaration. A description of such recorded easements, restrictions, liens, leases and encumbrances may be found in Exhibit "C" to the Condominium Declaration. These instruments should also be listed in Schedule B of the title commitment that you may receive in connection with your purchase. You may ask the title company handling your closing to provide you with copies of all the recorded instruments affecting title to your Unit and appurtenant Common Elements. You are encouraged to review the title instruments before closing.

8. WARRANTY

The Limited Warranty for a Residential Unit is attached to this Condominium Information Statement as Exhibit "D". The Limited Warranty for a Residential Unit is for a period of one year after closing. The purchaser should review the limited warranty carefully since there are procedures that must be followed by the purchaser after acquiring their Residential Unit to maintain the validity of the warranty and to properly present claims under the warranty. Warranty services may be provided by a third-party not affiliated with the Declarant, and those services may require access to the Residential Unit.

9. NO JUDGMENTS OR SUITS

Declarant has no actual knowledge of any unsatisfied judgments against the Property nor of any pending suits to which the Association is a party, or which are material to the land title and construction of the project.

10. COMMUNITY RULES; FEES OR CHARGES FOR USE OF COMMON ELEMENTS

The bylaws, rules and policies for the Regime are included in the Community Manual, attached hereto as Exhibit "E". The Association may, from time to time, adopt modifications or amendments to the bylaws, rules and policies, and may adopt additional rules and policies from time to time, but any modification or amendment must be approved by the Declarant during the Development Period. The Certificate of Formation of the Association is included in the Community Manual. The Association may, from time to time, charge owners and/or occupants for the use of certain Common Elements within the Property.

11. INSURANCE

The Association will obtain insurance coverage required pursuant to Section 82.111 of the Texas Uniform Condominium Act. The insurance will cover the Units and Common Elements established under the Declaration as originally constructed by the Declarant.

The Association will obtain commercial general liability insurance, including medical payments, which insurance will cover all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the Common Elements. Each property and commercial liability insurance policy carried by the Association will provide that: (i) each Unit owner is an insured person under the policy with respect to liability arising out of the person's ownership of an undivided interest in the common elements or membership in the

association; (ii) the insurer waives its right to subrogation under the policy against the Unit owner; (iii) no action or omission of a Unit owner, unless within the scope of such owner's authority on behalf of the association, will void the policy or be a condition to recovery under the policy; and (iv) if, at the time of a loss under the policy, there is other insurance in the name of an owner covering the same property covered by the policies obtained by the Association, the association's policy provides primary insurance.

The insurance obtained by the Association will not cover or provide protection for an owner's personal property (including vehicles) or liability coverage for accidents that occur within Unit. Each owner should obtain a separate policy for personal property within the owner's Unit and for accidents that may occur in the owner's Unit.

12. BUDGET

a. Budget. The estimated budget for the first fiscal year of the Association is attached as Exhibit "F". The budget was prepared in accordance with the Texas Uniform Condominium Act and is an estimate only of future costs based on facts and circumstances known at the time of its preparation.

b. Preparer. The budgets were prepared by the manager of the Association.

c. Assumptions About Occupancy. The estimated budget is based on the assumption that all Units are occupied for all or most of the budget year.

d. Assumptions About Inflation. All budgets are based on a 100% net collection rate and the estimates are in current dollars unadjusted for possible inflation.

e. **Estimate Only. The estimated budget does not constitute a representation or warranty on the part of Declarant, Ritz-Carlton or the Condominium Manager, but instead represents the management company's best estimate as to the current costs of the items set forth in the budget. An owner shall be required to pay owner's share of the actual costs of the items set forth in the budget at the time of conveyance of title to such owner's Unit.**

13. DEVELOPMENT RIGHTS AND SPECIAL DECLARANT RIGHTS

Declarant has reserved certain development rights as more particularly described in the Condominium Declaration. Many of these rights expire upon expiration of the "**Development Period**". The Development Period means the fifteen (15) year period beginning on the date the Condominium Declaration is recorded in the Official Public Records of Montgomery County, Texas, unless such period is earlier terminated by Declarant's recordation of a notice of termination in the Official Public Records of Montgomery County, Texas. Certain additional rights expire upon expiration of the Declarant Control Period.

The following list includes a summary of the most significant rights reserved by Declarant until expiration of the Development Period or the Declarant Control Period, as applicable. Please refer to the Condominium Declaration for a complete description of such rights.

a. Annexation. During the Development Period, Declarant may annex additional property into the Condominium Regime.

b. Architectural Control. During the Development Period, Declarant has the absolute right to review and approve all improvements constructed within the Condominium Regime.

c. Creation of Units. The Condominium Regime initially contains one hundred and sixteen (116) Units; however, Declarant reserves the right to create up to one hundred and twenty (120) Units.

d. Transfer Fees. During the Development Period, Declarant will not pay transfer-related and resale certificate fees.

e. Statutory Development Rights. As permitted by the Texas Uniform Condominium Act, Declarant has reserved the right: (i) to add real property to the Regime; (ii) to create units, general common elements, and limited common elements; (iii) to subdivide units and convert units into common elements; and (iv) to withdraw any portion of the real property marked on the Plat and Plans as "Development Rights Reserved" or "Subject to Development Rights," provided that no Unit in the portion to be withdrawn has been conveyed to an owner other than Declarant.

f. Amendment. Declarant has reserved the right to amend the Condominium Declaration, without consent of other owners or any mortgagee, for the following purposes: (i) to meet the requirements, standards, or recommended guidelines of an underwriting lender to enable an institutional or governmental lender to make or purchase mortgage loans on the Units; (ii) to correct any defects in the execution of the Condominium Declaration or the other Documents; (iii) to resolve conflicts, clarify ambiguities, and to correct misstatements, errors, or omissions in the governing documents; and (iv) for any other purpose, provided the amendment has no material adverse effect on any rights of any owner.

Additionally, Declarant has reserved the right to amend the Condominium Declaration, without consent of other owners or any mortgagee, for the following purposes: (i) to add real property to the Condominium Regime; (ii) to create units, general common elements, and limited common elements within the Condominium Regime; (iii) to subdivide, combine, reconfigure units or convert units into common elements; (iv) to reallocate General Common Elements as Limited Common Elements (including Residential LCE or Commercial LCE); (v) to amend the Plat and Plans to reflect the actual measurements of a Unit; and (vi) to exercise any development right, as defined in Section 82.003(a)(12) of the Act, not otherwise described in the Condominium Declaration.

g. Additional Rights. As permitted by the Act, Declarant has reserved the following rights: (i) to complete all improvements indicated on the Plat and Plans; (ii) to exercise any development right as defined in Section 82.003(a)(12) of the Act; (iii) to make the Condominium Regime part of a larger condominium or planned community; (iv) to maintain sales, management, and leasing offices, signs advertising the Condominium Regime, and models; and (v) to use easements through the Common Elements for the purpose of making improvements within the Regime or within real property that may be added to the Regime.

h. Appointment of Association Directors and Officers. During the Declarant Control Period, the right to appoint or remove any Declarant-appointed officer or director of the Association, subject to the terms and provisions of the Condominium Declaration.

i. Additional Easements and Rights. Declarant has reserved the following easements and rights in the Condominium Regime, exercisable at Declarant's sole discretion, for the

duration of the Development Period: (i) an easement and right to erect, construct, and maintain on and in the common elements and units owned or leased by Declarant whatever Declarant determines to be necessary or advisable in connection with the construction, completion, management, maintenance, and marketing of the Property; (ii) the right to sell or lease any unit owned by Declarant; (iii) the right of entry and access to all units to perform warranty-related work, if any, for the benefit of the unit being entered, other units, or common elements; (iv) an easement and right to make structural changes and alterations on common elements and units used by Declarant as models and offices, as may be necessary to adapt them to the uses permitted herein; and (v) an easement over the Property, including the units, to inspect the common elements and all improvements thereon and related thereto to evaluate the maintenance and condition of the common element improvements.

j. Leasing of Units. Notwithstanding any leasing restriction that may apply to owners of Units in the Condominium Declaration, Declarant (regardless of whether said lease is entered into prior to or after the expiration of the Development Period), the Association, or the holder of any first Mortgage on a Unit who becomes the owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage are permitted to lease Units in their sole discretion.

14. EXHIBITS

The exhibits include documents that will be recorded or filed. Because this Condominium Information Statement is issued before those documents have completed the recording process, executed or file-marked copies of those documents may be included as exhibits. At any time after recording, Declarant may but is not obligated to replace executed or file-marked documents with copies of recorded documents. The following exhibits are included with this Condominium Information Statement and are incorporated by reference:

EXHIBIT "A"	Declaration of Condominium Regime for Lakefront South Condominiums, recorded or to be recorded in the Official Public Records of Montgomery County, Texas
EXHIBIT "B"	Allocation Document
EXHIBIT "C"	Units, Common Interest Allocations, Estimated Regular Assessments, Estimated Residential Unit Assessments and Estimated Commercial Unit Services Assessments
EXHIBIT "D"	Limited Warranty
EXHIBIT "E"	Community Manual
EXHIBIT "F"	Estimated and Proposed Budget for Lakefront South Condominium Community, Inc.
EXHIBIT "G"	Condominium Management Agreement

15. DOCUMENTS TO BE SIGNED AT CLOSING

Except for the items listed below, at closing Declarant does not require purchasers to sign documents other than loan-related documents if the purchase is financed.

- Acknowledgement of Receipt of Condominium Information Statement and any changes made thereto
- Acknowledgment of rules, policies and procedures applicable to the Unit or the Property
- Sales Restriction Period Certificate
- Assignment of Parking (if applicable)

16. DISCLOSURES

THE CONDOMINIUM DECLARATION CONTAINS IMPORTANT DISCLOSURES AND DISCLAIMERS THAT OWNER SHOULD CLOSELY REVIEW, INCLUDING THE FOLLOWING:

a. Leasing. Please review the Condominium Declaration and note the leasing restrictions for owners contained in Article 11.

b. Dispute Resolution. Please note that Article 19 of the Condominium Declaration contains certain restrictions on how "Claims" will be handled in the Condominium Regime.

c. Transmission Disclaimer. EACH OWNER, BY ACCEPTANCE OF A DEED OR OTHER CONVEYANCE OF HIS UNIT, HEREBY ACKNOWLEDGES AND AGREES THAT SOUND AND IMPACT NOISE TRANSMISSION IN A HIGH-RISE BUILDING SUCH AS THE CONDOMINIUM REGIME IS VERY DIFFICULT TO CONTROL, AND THAT NOISES FROM ADJOINING OR NEARBY UNITS AND/OR MECHANICAL EQUIPMENT CAN AND WILL BE HEARD IN THE UNITS. ADDITIONALLY, EACH OWNER, BY ACCEPTANCE OF A DEED OR OTHER CONVEYANCE OF HIS UNIT, HEREBY ACKNOWLEDGES AND AGREES THAT THE TRANSMISSION OF ODORS, FUMES OR SMELLS THROUGHOUT A HIGH-RISE BUILDING SUCH AS THE CONDOMINIUM REGIME IS VERY DIFFICULT TO CONTROL, AND THAT SUCH ODORS, FUMES OR SMELLS FROM ADJOINING OR NEARBY UNITS COULD TRANSMIT INTO THE UNITS. DECLARANT DOES NOT MAKE ANY REPRESENTATION OR WARRANTY AS TO THE LEVEL OF SOUND OR IMPACT NOISE TRANSMISSION OR THE LEVEL OF ODORS OR IMPACT OF THE TRANSMISSION OF ODORS BETWEEN AND AMONG THE UNITS AND THE OTHER PORTIONS OF THE CONDOMINIUM REGIME AND EACH OWNER HEREBY WAIVES AND EXPRESSLY RELEASES, TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW AS OF THE DATE OF THE CONDOMINIUM DECLARATION, ANY SUCH WARRANTY AND CLAIM FOR LOSS OR DAMAGES RESULTING FROM SOUND OR IMPACT NOISE TRANSMISSION OR ODOR TRANSMISSION.

d. Light Emission. Light may emit from structures located on adjacent properties. DECLARANT DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES AS TO THE LEVEL OF GLARE THAT MAY AFFECT PORTIONS OF THE CONDOMINIUM REGIME, AND EACH OWNER HEREBY WAIVES AND EXPRESSLY RELEASES ANY SUCH WARRANTY AND CLAIM FOR LOSS OR DAMAGES RESULTING FROM ANY SUCH GLARE. Additionally, sunlight will penetrate through the windows into the Units and such sunlight could lead to the deterioration or fading of items contained in the Units and an increase in the temperature of the Unit and the Common Elements. DECLARANT DOES NOT MAKE ANY REPRESENTATION OR WARRANTY AS TO THE LEVEL OF SUNLIGHT THAT MAY PENETRATE THE

WINDOWS OF THE UNITS, AND EACH OWNER HEREBY WAIVES AND EXPRESSLY RELEASES ANY SUCH WARRANTY AND CLAIM FOR LOSS OR DAMAGES RESULTING FROM ANY SUCH PENETRATION AND SHALL BE SOLELY RESPONSIBLE FOR PROTECTING SUCH OWNER'S UNIT AND THE ITEMS CONTAINED THEREIN FROM SUNLIGHT AND FOR MAINTAINING A PROPER TEMPERATURE IN SUCH OWNER'S UNIT.

d. Environment. The Property is located in an environment that contains both residential and commercial uses. Sound and vibrations may be audible and felt from such things as sirens, whistles, horns, the playing of music, people speaking loudly, trash being picked up, deliveries being made, equipment being operated, dogs barking, construction activity, building and grounds maintenance being performed, automobiles, buses, trucks, boats, ambulances, airplanes, trains and other generators of sound and vibrations typically found in an urban area. In addition to sound and vibration, there may be odors (from restaurants, food being prepared and dumpsters) and light (from signs, streetlights, other buildings, car headlights and other similar items) in urban areas.

e. Natural Light and Views. The natural light available to and views from a Unit can change over time due to among other things, additional development and the removal or addition of landscaping. **NATURAL LIGHT AND VIEWS ARE NOT PROTECTED**.

f. Condominium Management Agreement. The Association intends to enter into a Condominium Management Agreement ("**Condominium Management Agreement**") with The Ritz-Carlton Hotel Company, L.L.C. ("**Condominium Manager**") to manage the Condominium Regime (a copy of such Management Agreement has been provided to Purchaser as Exhibit "G"). Among other things, the Condominium Management Agreement provides that Condominium Manager intends to provide the following services for the Condominium Regime, all of which may be modified by Condominium Manager from time to time:

1. "Base Concierge Services" includes hotel-type concierge services (such as arranging for transportation and other reservations and performing basic business center services). Condominium Manager will provide Base Concierge Services at the Association's cost as a Common Expense. There is no reduction in the management fee due to Condominium Manager due to the cessation for any reason of any Base Concierge Services, so long as reasonably similar services continue to be provided.

2. Valet Parking Service. Condominium Manager will provide valet parking services for Unit Owners who own, or tenants who lease, parking spaces in the Condominium Regime's garage. Unit Owners who own garage space(s) are assessed a valet parking fee to cover the cost of the valet parking service. It is understood that any maintenance and repair costs for the garage parking is a Common Expense.

3. Additional Services. Condominium Manager will make available to each Unit Owner certain additional services for which no price list is established (such as, housekeeping services, and maintenance and repair services) (collectively, "**Additional Services**"). Each Unit Owner will pay Condominium Manager directly on a monthly basis for all costs associated with providing and billing

for the Additional Services to that Unit Owner; Condominium Manager has no responsibility for costs thereof.

g. Branding. So long as the Condominium Management Agreement is in effect, the Condominium Regime has the right to be known as **"The Ritz-Carlton Residences, The Woodlands"** or by any other name as may be approved by Manager. Use of the names "Ritz-Carlton," "Ritz-Carlton Residences," the Ritz-Carlton name and mark, the Lion and Crown logo, and all other trademarks, service marks, trade names, symbols, emblems, logos, insignias, indicia of origin, slogans and designs used by Condominium Manager or its Affiliates (collectively, the "**MI Trademarks**") in connection with the Condominium Regime, the Building or any Residential Unit is limited to (i) use of the approved name on signage on or about the Condominium Regime by Condominium Manager, and (ii) textual use of the approved name solely to identify the address of the Condominium Regime or the Residential Units by the Association, Condominium board of directors and/or executive committee, and individual unit owners (and their agents). No other use of the MI Trademarks is permitted. Upon the expiration or termination of the Condominium Management Agreement for any reason, all uses of the MI Trademarks at or in connection with the Condominium Regime or the Building, including the approved name, are subject to removal and must cease, all indicia of affiliation of the Condominium with the MI Trademarks and the "Ritz-Carlton" brand, including all signs or other materials bearing any of the MI Trademarks, will be removed from the Condominium Regime and the Building, and all services to be provided by Condominium Manager to the Condominium Regime and the Unit Owners will cease.

h. Declarant as Seller. Declarant represents to purchasers that: (i) the Residential Units are being sold by Declarant and not by Marriott International, Inc., The Ritz-Carlton Hotel Company, L.L.C. or their respective Affiliates (collectively, "**Ritz-Carlton**"); and (ii) Ritz-Carlton is not part of or an agent for the Declarant and has not acted as broker, finder or agent in connection with the sale of the Residential Units. A purchaser, by executing a purchase and sale agreement for a Residential Unit, has no right to use or any interest in any of the MI Trademarks and will waive and release Ritz-Carlton against any liability for any representations or defects or any other claim whatsoever relating to the marketing to the Purchaser. If the Management Agreement with Condominium Manager is terminated for any reason, all use of the MI Trademarks used in connection with the Condominium Regime, the Building or the Residential Units will cease at or in relation to the Condominium Regime, the Building and the Residential Units, all indicia of connection of the Condominium Regime with Ritz-Carlton, including all signs or other materials bearing any of the MI Trademarks, will be removed from the Condominium Regime and the Building, and all services to be provided by Condominium Manager to the Condominium Regime will cease.

i. Licensing Rights. Ritz-Carlton reserves the right to license or operate any other residential project using the MI Trademarks or any other mark or trademark at any other location, including a site proximate to the Condominium Regime.

j. No Vacation Rental. No Residential Unit may be rented through a swap or vacation rental service (including, without limitation, "Airbnb," "VRBO" and similar services), except that the foregoing prohibition will not apply to any rental through a Qualified Rental Agent (a list of which will be maintained by the condominium manager and does

not include Airbnb, HomeAway, VRBO, FlipKey, and other similar online rental service companies).

k. Minimum Lease Term. Any rental or lease of any unit within the Condominium Regime must be for a period of at least 90 consecutive days.

17. GENERAL INFORMATION

The exhibits which follow this narrative portion provide a more detailed description of the Condominium Regime and the rights and obligations of the owner of a Unit. The purchaser should carefully consider the exhibits, as well as this narrative portion of this Condominium Information Statement. If the purchaser does not understand any aspect of this Condominium Information Statement, the sales contract, and any other materials provided in connection with the sale of Units, the purchaser should consult with competent legal counsel.

DECLARANT RESERVES THE RIGHT TO AMEND, IN WRITING, THE TERMS OF THIS CONDOMINIUM INFORMATION STATEMENT. IF THE CHANGE MAY ADVERSELY AFFECT A PURCHASER UNDER CONTRACT WHO HAS RECEIVED A CONDOMINIUM INFORMATION STATEMENT BUT WHO HAS NOT YET CLOSED, DECLARANT SHALL FURNISH A COPY OF THE AMENDMENT TO THAT PURCHASER BEFORE CLOSING. THIS CONDOMINIUM INFORMATION STATEMENT MAY NOT BE CHANGED OR MODIFIED ORALLY.

Declarant has no actual knowledge of any false or misleading statement or any omission of material fact in any portion of this Condominium Information Statement, including the exhibits attached hereto.

EXHIBIT "A"

DECLARATION OF CONDOMINIUM REGIME FOR LAKEFRONT SOUTH CONDOMINIUMS

DOC #2024118333
Pages 141

AFTER RECORDING RETURN TO:

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Austin, Texas 78701
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DECLARATION OF CONDOMINIUM REGIME FOR LAKEFRONT SOUTH CONDOMINIUMS

(A Condominium Community in Montgomery County, Texas)

DECLARANT: LAKEFRONT SOUTH CONDOS, LLC, a Delaware limited liability company

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DECLARATION OF CONDOMINIUM REGIME
FOR
LAKEFRONT SOUTH CONDOMINIUMS

Lakefront South Condos, LLC, a Delaware limited liability company ("**Declarant**") is the owner of the tract of land in Montgomery County, Texas, as more particularly described on Exhibit "A" attached hereto and incorporated herein, together with all Improvements thereon and all easements, rights, and appurtenances thereto (collectively, the "**Property**"). The Property is hereby submitted to the terms and provisions of the Texas Uniform Condominium Act, Chapter 82 of the Texas Property Code, for the purposes of creating the condominiums known as Lakefront South Condominiums.

NOW, THEREFORE, it is hereby declared that the Property will be held sold, conveyed, leased, occupied, used, insured, and encumbered with this Declaration, including the representations and reservations of Declarant, set forth on Appendix "A", attached hereto, which will run with the Property and be binding upon all parties having right, title, or interest in or to such property, their heirs, successors, and assigns and shall inure to the benefit of each owner thereof.

ARTICLE 1
DEFINITIONS

Unless otherwise defined in this Declaration, terms defined in Section 82.003 of the Act have the same meaning when used in this Declaration. The following words and phrases, whether or not capitalized, have specified meanings when used in the Documents, unless a different meaning is apparent from the context in which the word or phrase is used.

1.1. "**Act**" means Chapter 82 of the Texas Property Code, the Texas Uniform Condominium Act, as it may be amended from time to time.

1.2. "**Allocation Document**" means the document entitled "Lakefront South Condominiums Allocation Document" which may be Recorded by the Declarant which, upon Recordation, shall be incorporated herein by reference for all purposes. Notwithstanding anything in this Declaration to the contrary, the Declarant will have no obligation to establish an Allocation Document for the Regime.

1.3. "**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. Statutes and ordinances specifically referenced in the Documents are "Applicable Law" on the date of the Document, and are not intended to apply to the Property if they cease to be applicable by operation of law, or if they are replaced or superseded by one or more other statutes or ordinances.

1.4. "**Architectural Reviewer**" means Declarant during the Development Period. After expiration of the Development Period, the rights of the Architectural Reviewer will automatically be transferred to the Board.

1.5. "**Assessment**" means any charge levied against a Unit or Owner by the Association, pursuant to the Documents, the Act, or Applicable Law, including but not limited to Regular Assessments, Special Assessments, Utility Assessments, Residential Unit Assessments, Commercial Unit Assessments, Individual Assessments and Deficiency Assessments as described in *Article 5* of this Declaration.

1.6. "**Association**" means Lakefront South Condominium Community, Inc., a Texas nonprofit corporation, the Members of which shall be the Owners of Units within the Regime. The term "Association" shall have the same meaning as the term "property owners' association" in Section 202.001(2) of the Texas Property Code. 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, the Act, and Applicable Law.

1.7. "**Auxiliary Unit**" means the four (4) Units described on the Plat and Plans attached hereto and shown as an "Auxiliary Unit".

1.8. "**Auxiliary Unit Occupant**" has the meaning assigned in *Section 10.17*.

1.9. "**Board**" means the Board of Directors of the Association.

1.10. "**Building**" means the building described on the Plat and Plans now existing or hereafter placed on the Property.

1.11. "**Bylaws**" mean the bylaws of the Association, as they may be amended from time to time.

1.12. "**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.

1.13. "**Commercial LCE**" means those portions of the Property reserved for either the exclusive use and/or maintenance by the Owner(s) of the Commercial Unit(s). Any Commercial LCE will be designated as "Commercial LCE" on the Plat and Plans.

1.14. "**Commercial Unit**" means the Unit(s) described on the Plat and Plans attached hereto and shown as a "Commercial Unit".

1.15. "**Commercial Unit Services**" means all services or benefits, if any, made available to each Owner of a Unit by the Owner of the Commercial Unit. The aggregate fees charged by the Owner of the Commercial Unit to provide the Commercial Unit Services will constitute expenses to be paid by the Owners of the Residential Units as Commercial Unit Services

Assessments, regardless of whether and to what extent each Owner avails itself of such services. The Commercial Unit Services may include, but are not limited to: (i) landscaping (including landscaping within the Commercial Unit, Commercial LCE and the General Common Elements); and (ii) the right to use certain facilities within the Commercial Unit; provided, however, that the foregoing list will in no event constitute a covenant or obligation by the Owner of the Commercial Unit to provide any such services or benefits, it being agreed and acknowledged by each Owner of a Residential Unit that the services and benefits which constitute Commercial Unit Services will be determined and modified, from time to time, and may be discontinued entirely, as determined by the Owner of the Commercial Unit, in its sole and absolute discretion.

1.16. "**Commercial Unit Services Assessment**" means charges established and levied by the Owner of the Commercial Unit pursuant to *Section 5.18* of this Declaration.

1.17. "**Commercial Unit Services Expense Allocation**" means the proportion of Commercial Unit Services Expenses allocated to each Residential Unit as set forth on Exhibit "D", attached hereto.

1.18. "**Commercial Unit Services Expenses**" means the costs and expenses incurred, or estimated to be incurred, by the Owner of the Commercial Unit for the general benefit of the Residential Units. Commercial Unit Services Expenses will be allocated to each Residential Unit in accordance with the Commercial Unit Services Expense Allocation assigned to each Residential Unit; provided, however, the Owner of the Commercial Unit may allocate Commercial Unit Services Expenses that benefit less than all of the Residential Units according to the benefit received. The Commercial Unit Services Expenses may include, but are not limited to expenses for the provision of Commercial Unit Services.

1.19. "**Common Element**" means all portions of the Regime, **SAVE AND EXCEPT** the Units. All Common Elements are "**General Common Elements**", except if such Common Elements have been allocated as "**Limited Common Elements**" by or in accordance with this Declaration or the Plat and Plans for the exclusive use of one or more but less than all of the Units.

1.20. "**Common Expenses**" means the expenses incurred or anticipated to be incurred by the Association for (i) the Regime, including but not limited to those expenses incurred for the maintenance, repair, replacement and operation of the Common Elements; (ii) any expenses classified as a "Common Expense" under this Declaration; and (iii) for any expense reasonably related to the purposes for which the Association was formed.

1.21. "**Community Manual**" means the community manual, if any, which may be initially adopted and Recorded by the Declarant as part of the initial project documentation for the Regime. The Community Manual may include the Bylaws and Rules and policies governing the Association as the Board determines to be in the best interest of the Association, in its sole and absolute discretion. The Community Manual may be amended, from time to time, by a Majority of the Board; provided, however, that during the Development Period, any amendment to the Community Manual must be approved in advance and in writing by the Declarant.

1.22. "**Declarant**" means **Lakefront South Condos, LLC, a Delaware limited liability company**. Notwithstanding any provision in this Declaration to the contrary, Declarant may, by Recorded written instrument, assign, in whole or in part, exclusively or non-exclusively, any of its privileges, exemptions, rights and duties under this Declaration to any Person. Declarant may also, by Recorded written instrument, permit any other Person to participate in whole, in part, exclusively or non-exclusively, in any of Declarant's privileges, exemptions, rights and duties under this Declaration.

1.23. "**Declarant Control Period**" means that period of time during which Declarant controls the operation and management of the Association, pursuant to Appendix "A" of this Declaration. The duration of the Declarant Control Period is from the date this Declaration is Recorded for a maximum period not to exceed one hundred twenty (120) days after title to seventy-five percent (75%) of the maximum amount of Units that may be created under this Declaration have been conveyed to Owners other than Declarant. The Declarant Control Period may be terminated at any time by Declarant by Recorded written instrument.

1.24. "**Declaration**" means this document, as it may be amended from time to time.

1.25. "**Development Period**" means the fifteen (15)-year period beginning on the date this Declaration is Recorded, during which Declarant has certain rights as more particularly described on Appendix "A", attached hereto, including rights related to development, construction, expansion, and marketing of the Property. The Development Period is for a term of years and does not require that Declarant own any portion of the Property. Declarant may terminate the Development Period by Recording a notice of termination.

During the Development Period, Appendix "A" has priority over the terms and provisions of this Declaration.

1.26. "**Documents**" mean, individually or collectively as the case may be, this Declaration, the Plat and Plans, the Allocation Document, the Certificate, Bylaws, the Community Manual and the Rules of the Association, as each may be amended from time to time. An appendix, attachment, exhibit, schedule, or certification accompanying a Document is a part of that Document.

The Documents are subject to amendment or modification from time to time. By acquiring a Unit in Lakefront South Condominiums you agree to comply with the terms and provisions of the Documents, as amended or modified.

1.27. "**General Common Elements**" mean Common Elements which are not Limited Common Elements. General Common Elements are designated as "General Common Element" or "GCE", on the Plat and Plans and as provided in *Section 4.2* of this Declaration.

1.28. "**Improvement**" means every structure and all appurtenances of every type and kind, whether temporary or permanent in nature, within the Property.

1.29. "**Limited Common Elements**", if any, mean those portions of the Regime reserved for the exclusive use of one or more Owners to the exclusion of other Owners. Limited Common Elements are designated as "Limited Common Element" or "LCE", on the Plat and Plans and as provided in *Sections 4.2, 4.3* and *4.4* of this Declaration.

1.30. "**Majority**" means more than half.

1.31. "**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.

1.32. "**Mortgagee**" means a holder, insurer, or guarantor of a purchase money mortgage secured by a Recorded senior or first deed of trust lien against a Unit.

1.33. "**Non-Auxiliary Residential Unit**" means a Residential Unit that is not an Auxiliary Unit.

1.34. "**Occupant**" means a resident, occupant or tenant of a Unit, including specifically both Residential Units and Commercial Unit(s), regardless of whether the Person owns the Unit.

1.35. "**Owner**" means a holder of Recorded 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. Persons or entities having ownership interests merely as security for the performance of an obligation are not Owners. Every Owner is a Member of the Association.

1.36. "**Permittee**" means any Occupant and any officer, agent, employee, licensee, lessee, customer, vendor, supplier, guest, invitee or contractor of the Association, an Owner or Declarant.

1.37. "**Person**" means any individual or entity having the legal right to hold title to real property, and any fiduciary acting in such capacity on behalf of the foregoing.

1.38. "**Plat and Plans**" means the plat and plans attached hereto as Exhibit "B", as changed, modified, or amended in accordance with this Declaration.

1.39. "**Property**" means the tract of land in Montgomery County, Texas, as more particularly described on Exhibit "A" attached hereto, together with all Improvements thereon and all easements, rights, and appurtenances thereto, and includes every Unit and Common Element thereon.

1.40. "**Record, Recordation, Recorded, and/or Recording**" means filing the referenced instrument or document in the Official Public Records of Montgomery County, Texas.

1.41. "**Regime**" means the Property, Units, General Common Elements, and Limited Common Elements that comprise the condominium regime established by this Declaration.

1.42. "**Residential LCE**" means those portions of the Property reserved for the exclusive use of the Owners of the Residential Units. Residential LCE consists of the areas designated as "Residential LCE" or "Residential Limited Common Element" on the Plat and Plans.

1.43. "**Residential Unit**" means every Unit other than the Commercial Unit(s) located in the Building. Each Auxiliary Unit is considered a Residential Unit.

1.44. "**Rules**" means rules and regulations of the Association adopted in accordance with the Documents or the Act. The Board may, from time to time, modify, supplement, or amend the Rules; provided, however, that until expiration or termination of the Development Period, any modification, supplement, or amendment to the Rules must be approved in advance and in writing by the Declarant. Further, no Rule may be adopted that affects the use or operation of a Commercial Unit without the advance written approval of the Owner of such Commercial Unit.

1.45. "**Sales Restriction Period**" means a period commencing on the date that a Residential Unit is conveyed to an Owner by Declarant and ending on the earlier of (i) twelve (12) months after the date of the conveyance of such Residential Unit to the Owner by Declarant or (ii) the date the last of the Residential Units with the same number of bedrooms as such Residential Unit (e.g., one (1)-bedroom, two (2)-bedroom or three (3)-bedroom Residential Units) is conveyed to an Owner by Declarant.

1.46. "**Signage**" means any signage, lettering, decorations, banners, advertising or marketing media, awnings, canopies, window covering, or any other form of expression on the Skin or in the interior of the Improvements if the same is visible from the exterior of the Improvements.

1.47. "**Skin**" means the exterior surface of the Building or portions thereof, as applicable, not including the roof or any balcony serving a Residential Unit.

1.48. "**Structure**" means all foundations, footings, columns, flat slabs, sheer walls, girders, support beams, post tension cables or rods and including any and all other structural components that support, uphold or are a part of the Building, whether or not shown on the Plat and Plans.

1.49. "**Systems**" means all fixtures, utilities, equipment, pipes, lines, wires, computer cables, conduits, circuits, junction boxes, hangers, pull boxes, terminal points, electronic devices, air compressors, air handlers, chillers and other systems used in the production, heating, cooling and/or transmission of air, water, gas, electricity, communications, waste water, sewage, audio and video signals, and other utility services including the main switch gear conduits, plumbing chases and mechanical shafts on the Property. The Systems exclude utility facilities located in easements which are owned and maintained by a third-party providing utility services to the Property.

1.50. "**Telecommunications and Technology Easement Area**" means, collectively, all roof surfaces of the Building, the airspace located above the roof surfaces to a height of thirty (30)

feet above such roof surfaces and such other portions of the Building that Declarant and its successors, assigns, and Permittees need to access in order to utilize the rights reserved by the Declarant, as more specifically set forth in *Section 3.12* in this Declaration.

1.51. "**TNCL**" means the Texas Nonprofit Corporation Law, as amended from time to time.

1.52. "**Underwriting Lender**" means a national institutional mortgage lender, insurer, underwriter, guarantor, or purchaser on the secondary market, such as Federal Home Administration (FHA), Federal Home Loan Mortgage Corporation (Freddie Mac), Federal National Mortgage Association (Fannie Mae), or the Veterans Administration, singularly or collectively. Use of the term "Underwriting Lender" in this Declaration, and the specific instructions listed in this definition, may not be construed as a limitation on an Owner's financing options or as a representation that the Property is approved by any specific institution.

1.53. "**Unit**" means a physical portion of the Property designated by this Declaration for separate ownership, the boundaries of which are shown on the Plat and Plans, as further described in *Article 4* of this Declaration. The term Unit includes Residential Units (including Auxiliary Units) and the Commercial Unit(s).

ARTICLE 2
PROPERTY SUBJECT TO DOCUMENTS

2.1. **Subject To Documents**. The Property is held, transferred, sold, conveyed, leased, occupied, used, insured, and encumbered subject to the terms, covenants, conditions, restrictions, liens, and easements of this Declaration, including Declarant's representations and reservations as set forth on Appendix "A", attached hereto, which run with the Property, bind all Persons having or acquiring any right, title, or interest in the Property, their heirs, successors, and assigns, and inure to the benefit of each Owner of the Property.

2.1.1. **Existing Covenants**. The Property is also subject to: (i) that certain Declaration of Covenants, Conditions, Restrictions and Easements for Lake Woodlands Property Owners' Association, Inc., recorded as Document No. 381-01-2061 in the Official Public Records of Montgomery County, Texas, as amended from time to time, effective as of January 7, 1986 ("**LWPO**"); (ii) that certain Declaration of Covenants and Restrictions for The Woodlands Commercial Owners Association, recorded as Document No. 9357930 in the Official Public Records of Montgomery County, Texas, as amended from time to time, effective as of October 28, 1993 (the "**WCOA**"); and (iii) that certain Declaration of Covenants and Restrictions for The Woodlands Town Center Owner's Association, recorded as Document No. 056-00-1983 in the Official Public Records of Montgomery County, Texas, as amended from time to time, effective as of April 12, 1995 (the "**WTCOA**").

2.1.2. Upon acceptance of a deed to a Unit, any and all obligations (including the obligation to pay assessments or taxes levied pursuant to the LWPO, the WCOA, and/or the WTCOA, if any), liabilities, limitations, rights, waivers, benefits or burdens that are vested or that may in the future become vested in or upon the Owner of the Unit, pursuant to the LWPO, the WCOA, and/or the WTCOA, are hereby assumed by such Unit Owners and shall automatically be the obligations, liabilities, limitations, rights, waivers, benefits or burdens of the Unit Owners and the Units.

2.2. **Adjacent Land Use.** Declarant makes no representation of any kind as to current or future uses, actual or permitted, of any land that is adjacent to or near the Property.

2.3. **Additional Property.** Additional real property may be annexed into the Regime and subjected to the Declaration and the jurisdiction of the Association with the approval of Owners holding at least eighty percent (80%) of the total votes in the Association, or, during the Development Period, unilaterally by Declarant as permitted in Appendix "A". Annexation of additional property is accomplished by the Recording of an amendment or supplement to the Declaration, which will include a description of the additional real property. The amendment or supplement may include a description of the Units added to the Regime. Upon the annexation of such property into the Regime such land will be considered part of the Property for the purposes of this Declaration.

2.4. **Recorded Easements and Licenses**. In addition to the easements and restrictions contained in this Declaration, the Property is subject to all Recorded easements, licenses, leases, and encumbrances, including those described in the attached Exhibit "C", and including those described on the Plat and Plans, and any shown on a Recorded plat, each of which is incorporated herein by reference. 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 be bound by such easements, licenses, leases, and encumbrances. Each Owner further agrees to maintain any easement that crosses such Owner's Unit and for which the Association does not have express responsibility.

2.5. **Common Elements**. The Common Elements of the Regime consist of all portions of the Regime, **SAVE AND EXCEPT** the Units.

2.5.1. Ownership & Maintenance. The designation of Common Elements is determined by this Declaration. Declarant may install, construct, or authorize Improvements on Common Elements in connection with the development of the Property, and the cost thereof is not a Common Expense. Thereafter, all costs attributable to Common Elements, including maintenance, insurance, and enhancements, are automatically the responsibility of the Association, unless this Declaration, provides for a different allocation for a specific Common Element.

2.5.2. Acceptance. By accepting an interest in or title to a Unit, each Owner is deemed: (i) to accept the Common Elements, and any Improvement thereon, in their then-existing condition; (ii) to acknowledge the authority of the Association, acting through its Boards of Directors, for all decisions pertaining to the Common Elements; (iii) to acknowledge that transfer of a Common Element's title (if any) to the Association by or through Declarant is a ministerial task that does not require acceptance by the Association; and (iv) to acknowledge the continuity of maintenance of the Common Elements, regardless of changes in the Association's management.

ARTICLE 3
PROPERTY EASEMENTS, RIGHTS AND RESTRICTIONS

3.1. **General**. In addition to other easements, rights and restrictions established by the Documents, the Property is subject to the easements, rights and restrictions contained in this Article.

3.2. **Owner's Easement of Enjoyment**. Every Owner is granted a right and easement of enjoyment over the General Common Elements and use of Improvements therein, subject to other limitations, rights and easements contained in the Documents. An Owner who does not occupy a Unit delegates this right of enjoyment to the Occupants of the Owner's Unit, and is not entitled to use the General Common Elements. In addition, every Owner is granted an easement over the General Common Elements, to the extent necessary, to provide access to an Owner's Unit and for utilities serving the Owner's Unit. The right of access for necessary ingress and egress to an Owner's Unit cannot be suspended by the Board for violations of the Documents or nonpayment of Assessments.

3.3. **Owner's Maintenance Easement**. Each Owner is hereby granted an easement over and across any adjoining Unit and Common Elements to the extent reasonably necessary to maintain or reconstruct such Owner's Unit, subject to the consent of the Board and the consent of the Owner of the adjoining Unit, or the consent of the Board in the case of Common Elements, and provided that the Owner's use of the easement granted hereunder does not damage or materially interfere with the use of the adjoining Unit or Common Elements. Requests for entry into an adjoining Unit must be made to the Board and the Owner of such Unit in advance. The consent of the adjoining Unit Owner will not be unreasonably withheld; however, the adjoining Unit Owner may require that access to its Unit be limited to Monday through Friday, between the hours of 8 a.m. until 6 p.m., and then only in conjunction with actual maintenance or reconstruction activities. Access to the Common Elements for the purpose of maintaining or reconstructing any Unit must be approved in advance and in writing by the Board. The Board may require that access to the Common Elements be limited to Monday through Friday, between the hours of 8 a.m. until 6 p.m., and then only in conjunction with actual maintenance or reconstruction activities. The Board may require that the Owner abide by additional reasonable rules with respect to use and protection of the Units and the Common Elements during any such maintenance or reconstruction. If an Owner damages an adjoining Unit or Common Element in exercising the easement granted hereunder, the Owner will be required to restore the Unit or

Common Element to the condition which existed prior to any such damage, at such Owner's expense, within a reasonable period of time not to exceed thirty (30) days after the date the Owner is notified in writing of the damage by the Board or the Owner of the damaged Unit.

Prior to commencing any work upon a Unit which requires access to, over or through the Common Elements or other Units, the Person performing such work must deliver to the Board, in form satisfactory to the Board:

(i) releases of the Board and the Association for all claims that such Person may assert in connection with such work;

(ii) indemnities of the Board and the Association, holding each and all of them harmless from and against any claims asserted for loss or damage to persons or property, including, but not limited to, Common Elements or other Units;

(iii) certificates of insurance, including liability and workmen's compensation coverage, in amounts and with companies reasonably acceptable to the Board; and

(iv) all other information and assurances which the Board may reasonably require.

3.4. **Owner's Ingress/Egress Easement**. Each Owner and its tenants, guests and employees (if applicable) are hereby granted a perpetual easement over the Property, as may be reasonably required, for vehicular and pedestrian ingress to and egress from the Owner's Unit or the Limited Common Elements assigned thereto.

3.5. **Owner's Encroachment Easement**. Every Owner is granted an easement for the existence and continuance of any encroachment by the Owner's Unit on any adjoining Unit or Common Element now existing or which may come into existence hereafter, as a result of construction, repair, shifting, settlement, or movement of any portion of a Building, or as a result of condemnation or eminent domain proceedings, so that the encroachment may remain undisturbed so long as the Improvement stands. The easement granted herein is not intended to permit the continuance of any Improvement installed by an Owner not otherwise approved in advance by the Architectural Reviewer.

3.6. **Easement of Cooperative Support**. Each Owner is granted an easement of cooperative support over each adjoining Unit and Limited Common Element assigned thereto (if any) as needed for the common benefit of the Property, or for the benefit of Units in a Building, 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 the Owner's Unit and Limited Common Elements when needed by the Association to fulfill its duties; and (iv) agrees to refrain from actions that interfere with the Association's maintenance and operation of the Property.

3.7. **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:

(i) To perform inspections and/or maintenance that is permitted or required of the Association by the Documents or by Applicable Law.

(ii) To perform maintenance that is permitted or required of the Owner by the Documents or by Applicable Law, if the Owner fails or refuses to perform such maintenance.

(iii) To enforce the Documents.

(iv) To exercise self-help remedies permitted by the Documents or by Applicable Law.

(v) To grant easements to utility providers as may be necessary to install, maintain, and inspect utilities serving any portion of the Property.

(vi) To respond to emergencies.

(vii) To perform any and all functions or duties of the Association as permitted or required by the Documents or by Applicable Law.

3.8. **Utility Easement**. Declarant, during the Development Period, and the Association thereafter, may grant permits, licenses, and easements over the Common Elements for utilities, and other purposes reasonably necessary for the proper operation of the Regime. Declarant during the Development Period, and the Association thereafter, may grant easements over and across the Units and Common Elements to the extent necessary or required to provide utilities to Units; provided, however, that such easements will not unreasonably interfere with the use of any Residential Unit for residential purposes or any Commercial Unit for commercial purposes. This provision is not intended to modify the terms and provisions of any easements granted to a utility company, the general public or to any government authority (i.e., not as the Owner of any Unit). A company or entity, public or private, furnishing utility service to the Property, is granted an easement over the Property for ingress, egress, meter reading, installation, maintenance, repair, or replacement of utility lines and equipment, and to do anything else necessary to properly maintain and furnish utility service to the Property; provided, however, this easement may not be exercised without prior notice to the Board and may not unreasonably interfere with the use of a Unit for its intended purposes. Utilities may include, but are not limited to, water, sewer, trash removal, electricity, gas, telephone, master or cable television, and security.

3.9. **Easements Reserved to Declarant**. During any period that Declarant owns a Unit, Declarant and its duly authorized contractors, subcontractors, representatives, agents, associates, employees, tenants and successors and assigns shall have: (i) a non-exclusive easement for access and ingress to, egress from and use of the Common Elements for the placement and maintenance

of signs, banners, balloons, decorations, marketing materials and tables, a sales office, a leasing office, a business office, promotional facilities and model units, together with such other facilities as in the opinion of Declarant may be reasonably required, convenient or incidental to the completion, renovation, improvement, development, sale or lease of any Unit, or any portion thereof; and (ii) a nonexclusive easement to use and enjoy the Common Elements for special events, promotional activities and grand opening celebrations. In connection with the hosting of special events, promotional activities and grand opening celebrations in the Common Elements, Declarant shall be permitted to have live entertainment, and any noise created therefrom shall not be deemed a nuisance and shall not cause Declarant and its representatives, agents, associates, employees, tenants and guests to be deemed in violation of any provision of the Documents.

3.10. **Easement to Inspect and Right to Correct**. For a period of ten (10) years after the expiration of the Development Period, Declarant reserves for itself and for Declarant's architect, engineer, other design professionals, builder, and general contractor the right, but not the duty, to inspect, monitor, test, redesign, correct, and relocate any Systems, Structure, Improvement, or condition that may exist on any portion of the Property, including the Common Elements and Units, and a perpetual nonexclusive easement of access throughout the Property to the extent reasonably necessary to exercise this right. The party exercising the easement reserved hereunder will promptly repair, at its sole expense, any damage resulting from the exercise of this right. By way of illustration but not limitation, relocation of a utility panel may be warranted by a change of circumstance, imprecise siting, or desire to comply more fully with Applicable Law. This Section may not be construed to create a duty for Declarant or the Association, and may not be amended without Declarant's written and acknowledged consent. In support of this reservation, each Owner, by accepting an interest in or title to a Unit, hereby grants to Declarant, and the Declarant's architect, engineer, other design professionals, builder, and general contractor an easement of access and entry over, across, under, and through the Property, including without limitation, all Common Elements and each Unit for the purposes contained in this Section.

3.11. **Signage Easement**. Declarant hereby grants and reserves for itself, its assigns and Permittees an exclusive, assignable, perpetual and irrevocable easement, license and right to use the Skin to install Signage (the "**Declarant Signage Rights**"). Declarant, its assigns and Permittees hereby reserves the right to use, sell, lease or assign all or any portion of the Declarant Signage Rights for any purpose permitted under Applicable Law. In addition, Declarant, for itself and its assigns and Permittees, reserves a non-exclusive, perpetual and irrevocable easement over the Property for access to and from all Signage installed pursuant to the Declarant Signage Rights and to construct, install, use, maintain, repair, replace, improve, remove, operate and license or allow others to do the same, any Signage installed pursuant to the Declarant Signage Rights, including the right to utilize electrical power from any Unit, but subject to the right of the Owner of such Unit charging for the actual costs of such electrical power and any sub-metering costs associated with determining electrical usage and provided that such electrical usage shall not cause such Unit's electrical capacity to be limited for its own use, and in such event, Declarant and its assigns and Permittees shall cease such use of electrical power or provide additional capacity to the affected Owner's electrical system, at the sole expense of the party exercising the

easement and use rights set forth in this subparagraph. The rights reserved to Declarant under this *Section 3.11* shall benefit only Declarant and its assigns and Permittees, and no Owner or successor-in-title to any portion of the Property shall have any rights to income derived from or in connection with the easements granted in this *Section 3.11* except as expressly approved in writing by Declarant. The provisions of this *Section 3.11* shall not be amended without the written consent of Declarant.

3.12. **Telecommunications and Technology Easement**. Declarant hereby reserves for itself, and its successors, assigns and Permittees an exclusive, perpetual and irrevocable easement, license and right to use the Telecommunications and Technology Easement Area. The Telecommunications and Technology Easement Area may be used for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of telecommunications, data, solar, technological, video and digital equipment, including without limitation, high-speed data equipment, solar equipment, broadcast antennae and related equipment, cell tower equipment, or other wireless communication antennae and related equipment, cable or satellite television equipment and equipment for high-speed internet access (hereinafter collectively referred to as the "**Telecommunications and Technology Equipment**"). In addition, Declarant, for itself, and its successors, assigns and Permittees, reserves a non-exclusive, perpetual and irrevocable easement over the Property for access to and from the Telecommunications and Technology Easement Area and to construct, install, use, maintain, repair, replace, improve, remove, operate and license or allow others to do the same, any utility lines servicing the Telecommunications and Technology Equipment, including the right to utilize electrical power from any Unit, but subject to the right of the Owner of such Unit charging for the actual costs of such electrical power and any sub-metering costs associated with determining electrical usage and provided that such electrical usage shall not cause such Unit's electrical capacity to be limited for its own use, and in such event, Declarant and its assigns and Permittees shall cease such use of electrical power or provide additional capacity to the affected Owner's electrical system, at the sole expense of the party exercising the easement and use rights set forth in this subparagraph. Declarant also reserves the right to select and contract with Permittees to install, operate, and/or maintain the Telecommunications and Technology Equipment and to provide any telecommunication, video or digital service associated therewith, which contracts may be assignable to the Association. Declarant shall have and hereby reserves unto it and its assigns and Permittees the sole and exclusive right to collect and retain any and all income received from or in connection with the rights described in this *Section 3.12*. The rights reserved to Declarant under this *Section 3.12* shall benefit only Declarant and its successors, assigns and Permittees, and no Owner or successor-in-title to any portion of the Property shall have any rights to income derived from or in connection with the easements granted in this *Section 3.12*, except as expressly approved in writing by Declarant.

3.13. **Systems Easement**. Declarant hereby grants and reserves a perpetual, assignable and non-exclusive systems easement over, on, under and across the Systems for the benefit of each Owner and the Association for the use of and the connection to any portion of the Systems intended for such Owner's or the Association's use.

3.14. **Assignment of Parking**. Declarant, during the Development Period, reserves the right, to designate and assign portions of the Common Elements as parking spaces for the exclusive use of any Owner. Each assignment of parking space(s) to a Unit will be memorialized by a written instrument, executed by Declarant and Recorded, which shall identify the parking space(s) and the Unit assigned thereto. The assignment shall be made a part of the corporate records of the Association, will be considered an agreement between the Association and such Owner with regard to use of the parking spaces so assigned, and may not be terminated or modified without the consent of Declarant during the Development Period, the Association, and the Owner of the Unit to which the parking space(s) was assigned. Parking spaces not specifically assigned by Declarant for the exclusive use of an Owner of a Unit will be under the exclusive control and administration of the Association after expiration of the Development Period. Parking spaces may only be owned by an Owner of a Unit and may only be used by a Unit's Owner, Occupant, or their guests or invitees.

3.15. **Assignment of Storage**. Declarant, during the Development Period, reserves the right, to designate and assign portions of the Common Elements as storage spaces for the exclusive use of any Owner. Each assignment of storage space(s) to a Unit will be memorialized by a written instrument, executed by Declarant and Recorded, which shall identify the storage space(s) and the Unit assigned thereto. The assignment shall be made a part of the corporate records of the Association, will be considered an agreement between the Association and such Owner with regard to use of the storage spaces so assigned, and may not be terminated or modified without the consent of Declarant during the Development Period, the Association, and the Owner of the Unit to which the storage space(s) was assigned. Storage spaces not specifically assigned by Declarant for the exclusive use of an Owner of a Unit will be under the exclusive control and administration of the Association after expiration of the Development Period. Storage spaces may only be owned by an Owner of a Unit and may only be used by a Unit's Owner, Occupant, or their guests or invitees.

3.16. **Commercial Unit Services Easement**. Declarant reserves for the Owner of the Commercial Unit a perpetual easement over, across and upon the Common Elements to perform Commercial Unit Services.

3.17. **Release and Hold Harmless**. EACH OWNER AND OCCUPANT WILL RELEASE AND HOLD HARMLESS THE DECLARANT, THE COMMERCIAL UNIT OWNER, THEIR SUCCESSORS, ASSIGNS AND PERMITTEES FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF ANY ACTS, ACTIONS OR ACTIVITIES PERMITTED BY DECLARANT, THE COMMERCIAL UNIT OWNER OR OTHERS, INCLUDING ANY OMISSIONS, UNDER THIS *ARTICLE 3* (INCLUDING ANY COST, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE DECLARANT'S, COMMERCIAL UNIT OWNER'S OR OTHERS' NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE DECLARANT'S OR COMMERCIAL UNIT OWNER'S GROSS NEGLIGENCE OR WILLFUL

MISCONDUCT. "GROSS NEGLIGENCE" DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE. The provisions of this *Section 3.17* shall not be amended without the written and acknowledged consent of Declarant.

ARTICLE 4
UNITS, LIMITED COMMON ELEMENTS & ALLOCATIONS

4.1. **Initial Submitted Units and Maximum Number of Units**. The Regime will initially consist of one (1) Commercial Unit and one hundred fifteen (115) Residential Units (including four (4) Auxiliary Units), for a total of one hundred sixteen (116) Units. During the Development Period, Declarant, as permitted in Appendix "A", has reserved the right to create a maximum of one hundred twenty (120) Units on the Property and additional property added to the Regime. To add Units or property to the Regime, Declarant during the Development Period may, from time to time, Record an amendment to this Declaration. The amendment will: (i) describe the property being added to the Regime, if applicable; (ii) describe and assign an identifying number to each new Unit; (iii) reallocate the Common Interest Allocation among all Units then existing within the Regime; (iv) describe any Limited Common Elements, if any, created or designated to each new Unit; and (v) with respect to new Units, include the information required by Section 82.055 and Section 82.059(b) of the Act, as applicable. The amendment will include a description of the Units added to the Regime if Declarant elects to create Units upon recordation of the amendment OR if Declarant elects to create additional Units subsequent to the Recordation of the amendment adding property to the Regime, the amendment will describe the property and include the information required by Section 82.055 and Section 82.059(b) of the Act, as applicable. No assurance is given as to the dispersion of new Units, total number of new Units, or size of such Units.

4.2. **Unit Boundaries**. The boundaries and identifying number of each Unit are shown on the Plat and Plans attached as Exhibit "B" and are described further below:

4.2.1. Horizontal (Upper and Lower) Boundaries. The upper horizontal boundary of each Unit is the horizontal plane formed by the inside facing surface of the material which comprises the permanent ceiling in the Unit. The lower horizontal boundary of each Unit is the horizontal plane formed by the uppermost surface of the unfinished concrete (in the case of ground floor Units) or the uppermost surface of the material which comprises the permanent floor (in the case Units not on the ground floor). Anything on or affixed to the top of (a) the unfinished concrete (in the case of ground floor Units); or (b) the material which comprises the permanent floor (in the case of Units not on the ground floor), is part of the Unit. The upper and lower horizontal boundaries of each Unit extend to their intersections with the Unit's vertical boundaries, as described in *Section 4.2.2*.

4.2.2. Vertical (Perimeter) Boundaries. The vertical or perimeter boundaries of each Unit are (i) for portions of the Unit which adjoin an exterior wall of

the Building, the vertical plane created by the inside-facing surfaces of the material comprising the exterior wall of the Building as defined by the outermost material of the Building, which extend from the lower horizontal boundary of the Unit to the upper horizontal boundary of the Unit as described in *Section 4.2.1*; (ii) for portions of the Unit which adjoin a window, window wall system, or exterior glass surface of the Building, the inside-facing surface of the window, other glass surface or window system extending from the lower horizontal boundary of the Unit to the upper horizontal boundary of the Unit as described in *Section 4.2.1;* (iii) for portions of the Unit which adjoin a wall separating the Unit from another Unit, the vertical plane created by the centerline of such wall, extending from the lower horizontal boundary of the Unit to the upper horizontal boundary of the Unit as described in *Section 4.2.1*; (iv) for portions of the Unit which adjoin a common corridor or hallway, the vertical plane created by the interior unfinished wall (i.e., Unit facing) separating the Unit from the common corridor or hallway extending from the lower horizontal boundary of the Unit to the upper horizontal boundary of the Unit as described in *Section 4.2.1*; (v) for portions of the Unit which adjoin any common core components, e.g., the area including the central stairway, central entry and elevators on each floor, as depicted on the Plat and Plans, the vertical plane created by the outermost unfinished surface of the common core concrete wall, extending from the lower horizontal boundary of the Unit to the upper horizontal boundary of the Unit as described in *Section 4.2.1*; and (vi) for portions of a Unit not otherwise addressed by subsections (i) through (v) above, the vertical or perimeter boundaries reflected on the Plat and Plans.

4.2.3. Further Description of Units.

(i) Except where provisions of this Declaration otherwise specify, all air spaces, interior walls and partitions, floors separating different stories of the same Unit, and other fixtures and improvements within the foregoing boundaries are a part of the Unit. In addition, all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, and any other materials constituting part of the finished surfaces of the Unit are a part of a Unit, and all other portions of the walls, floors, or ceilings, are hereby designated as General Common Elements.

(ii) If any chute, flue, duct, wire, conduit, bearing wall, bearing column, or any other fixture is partially within and partially outside the designated boundaries of a Residential Unit, then the portion serving only one (1) Residential Unit is designated as part of that Residential Unit, and the portion serving more than one (1) Residential Unit is hereby designated as Residential LCE.

(iii) If any chute, flue, duct, wire, conduit, bearing wall, bearing column, or any other fixture is partially within and partially outside the designated boundaries of a Commercial Unit, then the portion serving only one (1) Commercial Unit is designated as part of that Commercial Unit, and the portion serving more than one (1) Commercial Unit, if more than one (1) Commercial Unit is created, is hereby designated as Commercial LCE. The portion of any chute,

flue, duct, wire, conduit, bearing wall, bearing column, or any other fixture that serves all Units is hereby designated as General Common Elements.

(iv) Unit boundaries shall include any and all attachments to, protrusions from and appurtenances attached to and serving such Unit and shall exclude any portion of the Common Elements that may be located within such Unit's boundaries (as shown on the Plat and Plans).

(v) Improvements, fixtures, and equipment serving the Unit exclusively, whether located inside or outside the Unit, whether or not attached to or contiguous with the Unit, including but not limited to water heaters, air conditioners, solar systems, utility meters, fuse boxes, electrical switches, wiring, pipes, ducts, conduits, smoke detectors, security systems, appliance systems, television antennas, lighting fixtures, telephone and electrical receptacles are part of such Unit.

(vi) In interpreting deeds, plats, and floor plans, the existing physical boundaries of a Unit as originally conveyed by Declarant, or as reconstructed in substantial accordance with the Plat and Plans, shall be conclusively presumed to be its boundaries regardless of minor variances between the actual boundaries and the boundaries shown on the Plat and Plans or described in a deed.

4.2.4. Units Generally. If the foregoing description of Unit boundaries is inconsistent with the Plat and Plans, then this *Section 4.2* hereof will control. It is the express intent of the Declarant that the property described as being part of a Unit shall for all purposes herein be treated as and constitutes a lawfully described "Unit" as that term is defined in the Act. In the event that there is a final judicial determination by a court of competent jurisdiction that the boundaries of a Unit or any portion thereof are so indefinite and vague so as to not create a legally constituted "Unit" within the meaning of the Act, then that portion of the Unit that has not been adequately described shall be severed from the property deemed a part of the Unit (if the remainder of the Unit, excluding the severed portion thereof, constitutes a properly described "Unit" under the Act) and shall thereafter be deemed a Limited Common Element reserved to the exclusive use of said Unit, subject to the rights and obligations of other Owners with respect to said property.

The space contained within the Unit's vertical and horizontal boundaries is not related to the size of the Unit's living areas. Similarly, the Units are initially marketed on the basis of a limited number of representational floorplans, each of which is marked with a rounded and estimated size of air-conditioned space, taken from pre-construction architectural drawings. Those marketing sizes may vary from the size of the actual space contained within the Unit's vertical and horizontal boundaries and the actual area contained within the air conditioned space of the Unit.

The Plat and Plans are based on construction plans and may differ from the legal boundaries of the Units actually constructed. Upon completion of the construction of the Units, Declarant (without the joinder of any other Owner) may Record an amendment to this Declaration to modify and amend the Plat and Plans to reflect as-built conditions.

SIZE OF UNIT
The size of a Unit may be measured in different ways for different purposes, such as for tax purposes, appraisal purposes, sales purposes, and for purposes of carpeting and painting. No single measurement is definitive for all purposes. Measurements may be of the area under roof, or the air conditioned space, or the area within the Unit's legal boundaries. The Unit's partition wall cavities and/or its perimeter wall cavities may or may not be included. The Unit's balcony space may or may not be included.

4.3. **Initial Designations of Limited Common Elements**.

4.3.1. Initial Designation of Residential LCE. In addition to the areas shown as Residential LCE on the Plat and Plans, the following portions of the Common Elements are Residential LCE assigned to the Residential Units:

(i) the portion of the Common Elements on which there is located any portion of the air conditioning or heating system exclusively serving a particular Residential Unit or Residential Units is assigned as a Residential LCE to the Residential Unit or Residential Units so served;

(ii) exterior doors and windows serving a single Residential Unit, including any sliding glass doors, shall be Residential LCE allocated solely to that Unit, regardless of whether contained within the boundaries of the Unit;

(iii) exterior patios and/or balconies serving a single Residential Unit.

(iv) any utility meter that serves only one Residential Unit is assigned as a Residential LCE to the Unit so served; and

(v) each mailbox or mail slot serving a single Residential Unit is assigned as a Residential LCE to the Unit so served.

4.3.2. Initial Designation of Commercial LCE. In addition to the areas shown as Commercial LCE on the Plat and Plans, the following portions of the Common Elements are Commercial LCE assigned to the Commercial Unit(s) which may be designated and described on the Plat and Plans:

(i) the portion of the Common Elements on which there is located any portion of the air conditioning or heating system exclusively serving a particular Commercial Unit is assigned as a Commercial LCE to the Commercial Unit so served;

(ii) exterior doors and windows serving the Commercial Unit(s), including any sliding glass doors, shall be Commercial LCE allocated solely to that Unit, regardless of whether contained within the boundaries of the Unit;

(iii) exterior patios and/or balconies serving a single Commercial Unit.

(iv) any utility meter that serves the Commercial Unit(s) is assigned as a Commercial LCE to the Unit so served; and

(v) each mailbox or mail slot serving the Commercial Unit(s) is assigned as a Commercial LCE to the Unit so served.

4.4. **Subsequent Allocation of Limited Common Elements**. A Common Element not allocated by this Declaration as a Limited Common Element may be so allocated only in accordance with the Act or the provisions of this Declaration. Declarant has reserved the right as set forth in Appendix "A" of this Declaration, to create and assign Limited Common Elements within the Property and to reallocate General Common Elements as Limited Common Elements (including Residential LCE or Commercial LCE).

4.5. **Common Interest Allocation**. The percentage of interest in the Common Elements (the "**Common Interest Allocation**") allocated to each Unit is set forth on Exhibit "D", and is assigned to each Unit in accordance with a ratio of the square footage of each Unit to the total square footage of all Units established by this Declaration. The same formula will be used in the event the Common Interest Allocation is reallocated as a result of any increase or decrease in the number of Units subject to this Declaration. In the event an amendment to this Declaration is filed which reallocates the Common Interest Allocation as a result of any increase or decrease in the number of Units, the reallocation will be effective on the date such amendment is Recorded.

4.6. **Common Expense Liabilities**. The percentage of liability for Common Expenses allocated to each Unit (the "**Common Expense Liability**") and levied pursuant to *Article 5* is equivalent to the Common Interest Allocation assigned to the Unit in accordance with *Section 4.5*.

4.7. **Residential LCE Allocation**. The percentage of interest in the Residential LCE (the "**Residential LCE Allocation**") allocated to each Residential Unit is set forth on Exhibit "D", and is assigned to each Residential Unit in accordance with a ratio of the estimated square footage of each Residential Unit to the total estimated square footage of all Residential Units established by this Declaration. The same formula will be used in the event the Residential LCE Allocation is reallocated as a result of any increase or decrease in the number of Residential Units subject to this Declaration. In the event an amendment to this Declaration is filed which reallocates the Residential LCE Allocation as a result of any increase or decrease in the number of Residential Units, the reallocation will be effective on the date such amendment or notice of annexation is Recorded.

4.8. **Commercial LCE Allocation**. The percentage of interest in the Commercial LCE (the "**Commercial LCE Allocation**") allocated to each Commercial Unit is set forth on Exhibit "D", and is assigned to each Commercial Unit in accordance with a ratio of the estimated square

footage of each Commercial Unit to the total estimated square footage of all Commercial Units established by this Declaration. The same formula will be used in the event the Commercial LCE Allocation is reallocated as a result of any increase in the number of Commercial Units subject to this Declaration. In the event an amendment to this Declaration is filed which reallocates the Commercial LCE Allocation as a result of any increase or decrease in the number of Commercial Units, the reallocation will be effective on the date such amendment or notice of annexation is Recorded.

4.9. **Votes**. The votes of the Association shall be allocated as follows:

(i) Each Residential Unit is allocated one (1) vote; and

(ii) The Commercial Unit is allocated ten (10) votes.

If the Commercial Unit is subdivided, the votes allocated to each Commercial Unit resulting from the subdivision will be allocated pro-rata based on the relative size of each resulting Commercial Unit as compared to the Commercial Unit prior to such subdivision. The Auxiliary Units are not allocated a voting interest and each Owner of an Auxiliary Unit will vote solely the voting interest assigned to such Owner's Non-Auxiliary Residential Unit.

ARTICLE 5
COVENANT FOR ASSESSMENTS

5.1. **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 Occupants, including but not limited to maintenance of the Regime, management and operation of the Association, and any expense reasonably related to the purposes for which the Property was developed. If made in good faith, the Board's decision with respect to the use of Assessments is final.

5.2. **Personal Obligation**. An Owner is obligated to pay Assessments levied by the Board against the Owner or the Owner's Unit. Payments are made to the Association at its principal office or at any other place the Board directs. Payments must be made in full regardless of whether an Owner has a dispute with the Association, another Owner, or any other Person or entity regarding any matter to which the Documents pertain. No Owner may exempt itself from its Assessment liability by waiver of the use or enjoyment of the Common Elements or by abandonment of his Unit. An Owner's obligation for Assessments is not subject to offset by the Owner, nor is it contingent on the Association's performance of the Association's duties. Payment of Assessments is both a continuing affirmative covenant personal to the Owner and a continuing covenant running with the Unit.

5.3. **Types of Assessments**. There are seven (7) types of Assessments: Regular Assessments, Special Assessments, Utility Assessments, Residential Unit Assessments, Commercial Unit Assessments, Individual Assessments, and Deficiency Assessments.

5.4. **Regular Assessments**.

5.4.1. Purpose of Regular Assessments. Regular assessments (the "**Regular Assessments**") are used for Common Expenses related to the recurring, periodic, and anticipated responsibilities of the Association, including but not limited to:

(i) Maintenance, repair, and replacement, as necessary, of the General Common Elements, and Improvements, equipment, signage, and property owned by the Association.

(ii) Inspection and maintenance of the Stormwater Facilities, as required by *Section 20.48*;

(iii) Maintenance examination and report, as required by *Section 8.3*.

(iv) Utilities billed to the Association.

(v) All premiums for insurance obtained by the Association pursuant to *Article 14*, excluding premiums for property insurance for Units, Residential LCE or Commercial LCE which are allocated in accordance with *Section 14.2.2* and paid through Residential Unit Assessments or Commercial Unit Assessments, as applicable.

(vi) All deductibles attributable to insurance obtained by the Association unless levied as an Individual Assessment in accordance with *Section 5.7(vi)*.

(vii) Services obtained by the Association and available to or provided to all Units.

(viii) Taxes on property owned by the Association and the Association's income taxes.

(ix) Management, legal, accounting, auditing, and professional fees for services to the Association.

(x) Costs of operating the Association, such as telephone, postage, office supplies, printing, meeting expenses, and educational opportunities of benefit to the Association.

(xi) Contributions to the reserves for the General Common Elements.

(xii) Fees billed to the Association by the Owner of the Commercial Unit for the provision of Commercial Unit Services and any other expenses incurred by the Association in connection with the provision of Commercial Unit Services.

(xiii) Any other expense which the Association is required by Applicable Law or the Documents to pay, or which in the opinion of the Board is necessary or proper for the operation and maintenance of the Regime or for enforcement of the Documents.

5.4.2. Annual Budget- Regular. 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 of the Association for the year, contributions to reserve funds, and a projection for uncollected receivables. The Board will make the budget or a summary of the budget available to each Owner, although failure to receive a budget or budget summary will not affect an Owner's liability for Assessments. The Board will approve the budget and distribute the approved budget to the Owners prior to commencement of the applicable fiscal year.

5.4.3. Basis of Regular Assessments. Regular Assessments will be based on the annual budget, minus estimated income from sources other than Regular Assessments. Each Owner of a Unit will be liable for the Unit's share of the annual budget based on the Common Expense Liability allocated to such Owner's Unit. If the Board does not approve an annual budget or fails to determine new Regular Assessments for any year, or delays in doing so, Owners will continue to pay the Regular Assessment as last determined by the Board.

5.4.4. Supplemental Increases. If, during the course of a year, the Board determines that Regular Assessments are insufficient to cover the estimated Common Expenses of the Association 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.

5.4.5. Right to Collect Fees for Commercial Unit Services. The Association will promptly remit to the Owner of the Commercial Unit all amounts collected by the Association from Owners of the Residential Units associated with Commercial Unit Services provided by the Owner of the Commercial Unit. The Association agrees to diligently and in good faith collect all fees associated with the Commercial Unit Services in the same manner as all Assessments hereunder. In the event that the Association files or forecloses its lien for non-payment of Assessments, any funds remitted to the Association in exchange for any release of the lien or conveyance of the Unit and attributable to the fees associated with the Commercial Unit Services, including late fees and interest, will be immediately remitted to the Owner of the Commercial Unit. In addition to, and not in lieu of the Association's obligation to collect any delinquent fee associated with Commercial Unit Services, the Owner of the Commercial Unit shall have the right to independently engage in collections to the recover delinquent fees associated with Commercial Unit Services, including but not limited to filing a lawsuit against the Owner of a Residential Unit who fails to pay the fees for Commercial Unit Services allocated to such Owner. In the event the Owner of the Commercial Unit engages in independent collection procedures against an Owner, the Owner of the Commercial Unit will be entitled to recover from the Owner, and such Owner will be liable to the Owner of

the Commercial Unit for, all delinquent fees associated with the Commercial Unit Services, late fees, accrued interest and costs of collection incurred by the Owner of the Commercial Unit, including reasonable and necessary attorney's fees. In the event the Owner of the Commercial Unit elects to file a lawsuit against the delinquent Unit Owner, then at the request of the Owner of the Commercial Unit, the Association will participate in the suit to the extent the Association's participation is necessary as an indispensable party to the suit, or alternatively, the Association will assign to the Owner of the Commercial Unit any right the Association has under this Declaration necessary or required for the Owner of the Commercial Unit, in its sole determination, to pursue the claim independently of the Association to the extent such rights pertain exclusively to the delinquent fees associated with Commercial Unit Services, late fees, interest, and collection costs. Payment of the fees associated with the Commercial Unit Services is a continuing affirmative covenant personal to the Owner and a continuing covenant running with the Unit for the benefit of, and enforceable by, the Association and the Owner of the Commercial Unit.

5.5. **Special Assessments**. The Board may levy one or more special assessments (the "**Special Assessments**") against all Units for the purpose of defraying, in whole or in part, Common Expenses not anticipated by the annual budget or reserve funds. Special Assessments may be used for the same purposes as Regular Assessments. Special Assessments do not require the approval of the Owners, except that Special Assessments for the acquisition of real property must be approved by Owners representing at least a Majority of the votes in the Association. Special Assessments will be apportioned among the Units in the same manner as Regular Assessments.

5.6. **Utility Assessments**. This Section applies to utilities serving the Units and consumed by the Owner and/or Occupants that are billed to the Association by the utility provider, and which may or may not be sub-metered by or through the Association. The Board may levy a utility assessment (the "**Utility Assessment**") against each Unit. If the Units are sub-metered for consumption of a utility, the Utility Assessment will be based on the sub-meter reading. If the Units are not sub-metered, the Board may allocate the Association's utility charges among the Units by any conventional and reasonable method for similar types of properties or may use the consumption of a sub-metered utility for the purpose of allocating utilities that are not sub-metered. The levy of a Utility Assessment may include a share of the utilities for the Common Elements, as well as administrative and processing fees, and an allocation of any other charges that are typically incurred in connection with utility or sub-metering services. The Board may, from time to time, change the method of utility allocation, provided the method of allocation is reasonable.

5.7. **Individual Assessments**. The Board may levy an individual assessment (the "**Individual Assessment**") against an Owner and the Owner's Unit. Individual Assessments may include, but are not limited to: (i) interest, late charges, and collection costs on delinquent Assessments; (ii) reimbursement for costs incurred in bringing an Owner or the Owner's Unit

into compliance with the Documents; (iii) fines for violations of the Documents; (iv) transfer-related fees and resale certificate fees; (v) fees for estoppel letters and copies of the Documents; (vi) insurance deductibles levied in accordance with *Section 15.5*; (vii) reimbursement for damage or waste caused by willful or negligent acts of the Owner, Occupant, or their guests, invitees, or agents; and (viii) Common Expenses that benefit fewer than all of the Units, which may be assessed according to benefit received as reasonably determined by the Board.

5.8. **Deficiency Assessments**. The Board may levy a deficiency assessment (the "**Deficiency Assessment**") against all Units for the purpose of defraying, in whole or in part, the cost of maintenance, repair, and replacement of the Common Elements, as necessary, performed by the Association or its Permittee if insurance proceeds or condemnation awards prove insufficient. Deficiency Assessments will be apportioned among the Units in accordance with the Common Expense Liability assigned to the Units.

5.9. **Residential Unit Assessments.**

5.9.1. Purpose of Residential Unit Assessments. The Board may levy a residential unit assessment (the "**Residential Unit Assessment**") against an Owner's Residential Unit. Residential Unit Assessments are used for expenses related to the recurring, periodic, and anticipated responsibilities of the Association or its designee with respect to administration, maintenance and repair of the Residential LCE or other expenses only applicable to the Residential Units, including but not limited to the costs of: (i) maintaining, repairing, and replacing, as necessary the Residential LCE; (ii) the costs of property insurance premiums attributable to the Residential Units and the Residential LCE; (iii) utilities billed to the Association and attributable to the Residential Units; (iv) services billed to the Association and serving the Residential Units; and (v) contributions to the reserve funds attributable to the Residential Units and Residential LCE.

5.9.2. Annual Budget-Residential Unit Assessments. The Board will prepare and approve an annual budget with the estimated expenses to be incurred by the Association or its designee pursuant to *Section 5.9.1* above. The budget will take into account the estimated income and expenses for the year, contributions to reserve funds, and a projection for uncollected receivables. The Board will make the budget or a summary of the budget available to each Owner, although failure to receive a budget or budget summary will not affect an Owner's liability for Residential Unit Assessments.

5.9.3. Basis of Residential Unit Assessments. Each Residential Unit will be liable for Residential Unit Assessments based on such Unit's Residential LCE Allocation established pursuant to *Section 4.7*. If the Board does not approve an annual budget or fails to determine new Residential Unit Assessments for any year, or delays in doing so, Owners will continue to pay the applicable Residential Unit Assessments as last determined.

5.9.4. Supplemental Increases. If during the course of a year the Board determines that Residential Unit Assessments are insufficient to cover the estimated expenses for the remainder of the year, the Board may increase Residential Unit Assessments for the remainder of the fiscal year in an amount that covers the estimated deficiency. Supplemental increases will be apportioned among the Residential Units in the same manner as Residential Unit Assessments.

5.10. **Commercial Unit Assessments**.

5.10.1. Purpose of Commercial Unit Assessments. The Board may levy a commercial unit assessment (the "**Commercial Unit Assessment**") against an Owner's Commercial Unit. Commercial Unit Assessments are used for expenses related to the recurring, periodic, and anticipated responsibilities of the Association or its designee with respect to administration, maintenance and repair of the Commercial LCE or other expenses only applicable to the Commercial Unit(s), including but not limited to the costs of: (i) maintaining, repairing, and replacing, as necessary the Commercial LCE; (ii) the costs of property insurance premiums attributable to the Commercial Unit(s); (iii) utilities billed to the Association and attributable to the Commercial Unit(s); (iv) services billed to the Association and serving the Commercial Unit(s); and (v) contributions to the reserve funds attributable to the Commercial Unit(s) and Commercial LCE.

5.10.2. Annual Budget-Commercial Unit Assessments. The Board will prepare and approve an annual budget with the estimated expenses to be incurred by the Association or its designee pursuant to *Section 5.10.1* above. The budget will take into account the estimated income and expenses for the year, contributions to reserve funds, and a projection for uncollected receivables. The Board will make the budget or a summary of the budget available to each Owner, although failure to receive a budget or budget summary will not affect an Owner's liability for Commercial Unit Assessments.

5.10.3. Basis of Commercial Unit Assessments. Each Commercial Unit will be liable for Commercial Unit Assessments based on such Unit's Commercial LCE Allocation established pursuant to *Section 4.8*. If the Board does not approve an annual budget or fails to determine new Commercial Unit Assessments for any year, or delays in doing so, Owners will continue to pay the applicable Commercial Unit Assessments as last determined.

5.10.4. Supplemental Increases. If during the course of a year the Board determines that Commercial Unit Assessments are insufficient to cover the estimated expenses for the remainder of the year, the Board may increase Commercial Unit Assessments for the remainder of the fiscal year in an amount that covers the estimated deficiency. Supplemental increases will be apportioned among the Commercial Unit(s) in the same manner as Commercial Unit Assessments.

5.11. **Due Date**. Regular Assessments are due annually, with monthly installments of the total annual Regular Assessment 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. Utility, Special, Individual, and Deficiency 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 Utility, Special, Individual, or Deficiency Assessment is given.

5.12. **Working Capital Fund**. Upon the transfer of a Unit (including both transfers from Declarant to the initial Owner, and transfers from one Owner of a Unit to a subsequent Owner of the Unit), a working capital fee in an amount equal to three (3) months of Regular Assessments and three (3) months of Residential Unit Assessments, as applicable, will be paid from the transferee of the Unit to the Association for the Association's working capital fund. Each working capital contribution will be collected from the transferee of a Unit upon the conveyance of the Unit from one Owner (including Declarant) to another (expressly including any re-conveyances of the Unit upon resale or transfer thereof). Notwithstanding the foregoing provision, the following transfers of a Unit will not be subject to the working capital contribution: (i) foreclosure of a deed of trust lien, tax lien, or the Association's Assessment lien; (ii) transfer to, from, or by the Association; (iii) voluntary transfer by an Owner to a trust controlled by the Owner, to one or more co-Owners, or to the Owner's spouse, child, or parent; (iv) any grantee who is the domestic partner or former spouse of the grantor; (v) any grantee that is a wholly-owned entity of the grantor; and (vi) any grantee to whom a Unit is conveyed by a will or through the law of intestacy. Contributions to the fund are not advance payments of Regular Assessments or Residential Unit Assessments and are not refundable. Declarant may not use working capital fees collected hereunder to pay the operational expenses of the Association until the Declarant Control Period terminates.

5.13. **Reserve Funds. The Association shall maintain reserves at a level determined by the Board to be sufficient to cover the cost of operational and maintenance emergencies or contingencies, replacement or major repair of components of the General Common Elements.**

5.14. **Declarant's Right to Inspect and Correct Accounts**. For a period of four (4) years after termination or the expiration of the Declarant Control Period, Declarant reserves for itself and for Declarant's accountants and attorneys, the right, but not the duty, to inspect, correct, and adjust the Association financial records and accounts established during the Declarant Control Period. The Association may not refuse to accept an adjusting or correcting payment made by or for the benefit of Declarant. By way of illustration but not limitation, Declarant may find it necessary to re-characterize an expense or payment to conform to Declarant's obligations under the Documents or Applicable Law. This Section may not be construed to create a duty for Declarant or a right for the Association, and may not be amended without Declarant's written and acknowledged consent. In support of this reservation, each Owner, by accepting an interest in or title to a Unit, hereby grants to Declarant a right of access to the Association's books and

records that is independent of Declarant's rights during the Declarant Control Period and Development Period.

5.15. **Association's Right to Borrow Money**. The Association is granted the right to borrow money, subject to the ability of the Association to repay the borrowed funds from Assessments. To assist its ability to borrow, the Association is granted 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, provided that the rights of the lender in the pledged property are subordinate and inferior to the rights of the Owners hereunder.

5.16. **Limitations of Interest**. The Association, and its officers, directors, managers, and attorneys, intend to conform strictly to Applicable Law. Notwithstanding anything to the contrary in the Documents 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 applicable unpaid Assessments, or reimbursed to the Owner if those Assessments are paid in full.

5.17. **Audited Financial Statements**. The Association shall have an audited financial statement for the preceding full fiscal year of the Association prepared by an independent certified public accountant within one hundred twenty (120) days after the close of each fiscal year and made available to Owners upon written request.

5.18. **Commercial Unit Services Assessments**.

5.18.1. Budget. Each Owner of a Residential Unit shall be personally obligated to pay Commercial Unit Services Assessments to the Owner of the Commercial Unit in accordance with the Commercial Unit Services Expense Allocation set forth on Exhibit "D". The Owner of the Commercial Unit will prepare and approve an annual budget with the estimated reasonable expenses to be incurred by the Owner of the Commercial Unit for each fiscal year to provide the Commercial Unit Services. The budget will take into account contributions to reserve funds, and a projection for uncollected receivables. The Owner of the Commercial Unit will make the budget or a summary of the budget available to the Owners of Residential Units, although failure to receive a budget or budget summary will not affect an Owner's liability for Commercial Unit Services Assessments. If, during the course of a budget year, the Owner of the Commercial Unit reasonably determines that Commercial Unit Services Assessments are insufficient to cover the estimated costs and expenses for the remainder of the year, the Owner of the Commercial Unit may increase Commercial Unit Services Assessments for the remainder of the budget year in an amount that covers the estimated deficiency.

5.18.2. Commercial Unit Services Expense Allocation. The Commercial Unit Services Expense Allocation is assigned to each Residential Unit in accordance with a ratio of one (1) to the total number of Residential Units. The same formula will be used in the event there is any increase or decrease in the number of Residential Units subject to this Declaration.

5.18.3. Due Date. Commercial Unit Services Assessments are due annually, with monthly installments of the total annual Commercial Unit Services Assessments to be paid on the first calendar day of each month or on such other date or frequency as the Owner of the Commercial Unit may designate in its sole and absolute discretion, and are delinquent if not received within ten (10) days of such date.

5.18.4. Effect of Non-Payment of Commercial Unit Services Assessments. Commercial Unit Services Assessments are subject to interest from the due date until paid, at a rate to be determined by the Commercial Unit Owner from time to time, not to exceed the lesser of eighteen percent (18%) per annum or the maximum permitted by Applicable Law. If the Commercial Unit Owner fails to establish a rate, the rate is ten percent (10%) per annum. Delinquent Commercial Unit Services Assessments are subject to reasonable late fees, at a rate to be determined by the Commercial Unit Owner from time to time, reimbursement of reasonable costs incurred by Commercial Unit Owner to collect the delinquent Commercial Unit Services Assessments, including attorneys' fees, court costs, and processing fees charged in connection with such collection efforts. If an Owner defaults in paying any Commercial Unit Services Assessment that is payable in installments, the Commercial Unit Owner may accelerate the remaining installments on ten (10) days' written notice to the defaulting Owner. The entire unpaid balance of the Commercial Unit Services Assessment becomes due on the date stated in the notice. The Commercial Unit Owner may file suit seeking a money judgment against an Owner delinquent in the payment of Commercial Unit Services Assessments without foreclosing or waiving its lien for Commercial Unit Services Assessments. The Commercial Unit Owner may also file suit seeking a money judgment against an Owner delinquent in the payment of Commercial Unit Services Assessments without foreclosing or waiving its lien for Commercial Unit Services Assessments. The Commercial Unit Owner may notify and communicate with any holder of a lien against a Residential Unit regarding the Owner's default in payment of Commercial Unit Services Assessments.

5.18.5. Assignment of Rents. Each Owner of a Residential Unit hereby grants to the Commercial Unit Owner a continuing assignment of rents to secure the payment of Commercial Unit Services Assessments to the Commercial Unit Owner. If an Owner's account becomes delinquent during a period in which the Residential Unit is leased, the Commercial Unit Owner may direct the tenant to deliver rent to the Commercial Unit Owner for application to the delinquent account, provided the Commercial Unit Owner gives the Owner notice of the delinquency and a reasonable opportunity to cure the debt. The Commercial Unit Owner must account for all monies

received from a tenant and must remit to the Owner any rents received in excess of the past-due amount. A tenant's delivery of rent to the Commercial Unit Owner under the authority hereby granted is not a breach of the tenant's lease with the Owner and does not subject the tenant to penalties from the Owner.

5.18.6. Commercial Unit Services Assessment Lien. Each Owner, by accepting an interest in or title to a Residential Unit, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to pay Commercial Unit Services Assessments to the Owner of the Commercial Unit. Each Commercial Unit Services Assessment is a charge on the Residential Unit and is secured by a continuing lien on such Unit. Each Owner, and each prospective Owner, is placed on notice that title to such Residential Unit may be subject to the continuing lien for Commercial Unit Services Assessments attributable to a period prior to the date the Owner purchased the Residential Unit. An express lien on each Residential Unit is hereby reserved, granted and conveyed by Declarant to the Commercial Unit Owner to secure the payment of Commercial Unit Services Assessments. The Commercial Unit Services Assessment lien is superior to all other liens and encumbrances on a Residential 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 of the original Residential Unit; (iii) a deed of trust or vendor's lien Recorded before this Declaration; and (iv) a first or senior purchase money vendor's lien or deed of trust lien Recorded before the date on which the delinquent Commercial Unit Services Assessment became due. The Commercial Unit Services Assessment lien is superior to any Recorded assignment of the right to insurance proceeds on the Residential Unit, unless the assignment is part of a superior deed of trust lien. The Commercial Unit Services Assessment lien is created by the 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. However, the Commercial Unit Owner may cause a notice of the lien to be Recorded. Each lien filed by the Commercial Unit Owner must be prepared and filed by an attorney licensed to practice law in the State of Texas. If the debt is cured after a notice has been Recorded, the Commercial Unit Owner will Record a release of the notice at the expense of the curing Owner. The Commercial Unit Owner may require reimbursement of its costs of preparing and Recording the notice before granting the release. By accepting an interest in or title to a Residential Unit, each Owner grants to the Commercial Unit Owner a private power of non-judicial sale in connection with the Commercial Unit Services Assessment lien. The Commercial Unit Owner may appoint, from time to time, any Person, including an officer, agent, trustee, substitute trustee, or attorney, to exercise the Commercial Unit Owner's lien rights on behalf of the Commercial Unit Owner, including the power of sale. Any such appointment must be in writing and may be in the form of a resolution duly adopted by the Commercial Unit Owner. The Commercial Unit Services 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 Commercial Unit Owner will be required to pay all costs and expenses for the proceedings, including reasonable attorneys' fees. The Commercial Unit Owner shall have the power to bid on the Residential Unit at a foreclosure sale and to acquire, hold, lease, mortgage, and convey same. Foreclosure of a superior lien extinguishes the Commercial Unit Owner's claim against the Residential Unit for unpaid Commercial Unit Services Assessments that became due before the sale, but does not extinguish the Commercial Unit Owner's claim against the former Residential Unit Owner.

5.18.7. Limitation of Interest. The Commercial Unit Owner, 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 Documents or any other document or agreement executed or made in connection with the collection of Commercial Unit Services Assessments, the Commercial Unit Owner 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 Commercial Unit Owner 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 Commercial Unit Services Assessments, or reimbursed to the Owner if Commercial Unit Services Assessments then payable by the Owner are paid in full.

5.18.8. Collection of Commercial Unit Services Assessments. If requested in writing by the Commercial Unit Owner, the Association will collect from each Owner of a Residential Unit the Commercial Unit Services Assessments, which shall be remitted by the Association to the Commercial Unit Owner upon receipt. The Association's obligation to collect the Commercial Unit Services Assessments may be rescinded or reestablished if previously rescinded, at any time, by written notice provided by the Commercial Unit Owner to the Association.

ARTICLE 6
ASSESSMENT LIEN

6.1. **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 such Owner's Unit may be subject to the continuing lien for Assessments attributable to a period prior to the date the Owner purchased its Unit. An express lien on each Unit is hereby granted and conveyed by Declarant to the Association to secure the payment of Regular Assessments, Special Assessments, Utility Assessments, Individual Assessments, Residential Unit Assessments, Commercial Unit Assessments and Deficiency Assessments.

6.2. **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 Improvements upon the original Unit; (iii) Commercial Unit Services Assessments; (iv) a deed of trust or vendor's lien Recorded before this Declaration; or (v) 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 superior to any Recorded assignment of the rights to insurance proceeds on the Unit unless the assignment is part of a superior deed of trust lien.

6.3. **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.

IF YOU FAIL TO PAY ASSESSMENTS TO THE ASSOCIATION, YOU MAY LOSE TITLE TO YOUR UNIT IF THE ASSOCIATION FORECLOSES ITS ASSESSMENT LIEN AGAINST YOUR UNIT.

6.4. **Notice and Release of Notice**. 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. However, in the exercise of its lien rights, the Association may, at its option, cause a notice of the lien to be Recorded. Each lien filed by the Association must be prepared and filed by an attorney licensed to practice law in the State of Texas. If the debt is cured after a notice has been Recorded, the Association will Record a release of the notice at the expense of the curing Owner. The Association may require reimbursement of its costs of preparing and Recording the notice before granting the release.

6.5. **Power 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. Any such appointment must be in writing and may be in the form of a resolution recorded in the minutes of a Board meeting.

6.6. **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 a foreclosure sale and to acquire, hold, lease, mortgage, and convey same.

ARTICLE 7
EFFECT OF NONPAYMENT OF ASSESSMENTS

7.1. **Generally**. 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 all delinquent Assessments. From time to time, the Association may delegate some or all of its collection procedures and remedies, as it in its sole discretion deems appropriate, to a manager, attorney or a debt collector. Neither the Association nor the Board, however, is liable to an Owner or other Person for its failure or inability to collect or attempt to collect an Assessment. The following remedies are in addition to and not in substitution for all other rights and remedies which the Association may have pursuant to the Documents or Applicable Law.

7.2. **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.

7.3. **Late Fees**. Delinquent Assessments are subject to reasonable late fees, at a rate to be determined by the Board.

7.4. **Collection Expenses**. The Owner of a Unit against which Assessments are delinquent is liable to the Association for reimbursement of reasonable costs incurred by the Association to collect the delinquent Assessments, including attorneys' fees and processing fees charged in connection with such collection efforts.

7.5. **Acceleration**. If an Owner defaults in paying any 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.

7.6. **Suspension of Vote and Right to Use Common Elements**. Subject to the below-described limitations, 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. Suspension does not constitute a waiver or discharge of the Owner's obligation to pay Assessments. When the Association suspends an Owner's right to vote, the suspended Owner may nevertheless participate as a Member of the Association for the following activities: (i) be counted towards a quorum; (ii) attend meetings of the Association; (iii) participate in discussion at Association meetings; (iv) be counted as a petitioner for a special meeting of the Association; and (v) vote to remove a Director and for the replacement of the removed Director. If the number of suspended Members exceeds twenty percent (20%) of the total Members (Co-Owners of a Unit constituting one Member), all Members are eligible to vote. These limitations are imposed to prevent a Board from disenfranchising a large segment of the membership and to preserve the membership's right to remove and replace Directors.

7.7. **Assignment of Rents**. Every Owner hereby grants to the Association a continuing assignment of rents to secure the payment of Assessments to the Association. If a Unit's account becomes delinquent during a period in which the Unit is leased, then the Association may direct the tenant to deliver rent to the Association for application to the delinquent account, provided the Association gives the Owner notice of the delinquency, a reasonable opportunity to cure the debt, and notice of the Owner's right to a hearing before the Board. The Association must account for all monies received from a tenant and must remit to the Owner any rents received in excess of the past-due amount. A tenant's delivery of rent to the Association under the authority hereby granted is not a breach of the tenant's lease with the Owner and does not subject the tenant to penalties from the Owner.

7.8. **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.

7.9. **Notice to Mortgagee**. The Association may notify and communicate with any holder of a lien against a Unit regarding the Owner's default in the payment of Assessments.

7.10. **Application of Payments**. The Association may adopt and amend policies regarding the application of payments. After the Association notifies the Owner of a delinquency, any payment received by the Association may be applied in the following order: Individual Assessments, Deficiency Assessments, Special Assessments, Utility Assessments, Residential Unit Assessments (as applicable), Commercial Unit Assessments (as applicable) and (lastly) Regular Assessments. The Association may refuse to accept partial payment, i.e., less than the full amount due and payable. The Association may also refuse to accept payments to which the Owner attaches conditions or directions contrary to the Association's policy for applying payments. The policies of the Association may provide that endorsement and deposit of a payment does not constitute acceptance, and that acceptance occurs when payment is posted to the Owner's account.

ARTICLE 8
MAINTENANCE AND REPAIR OBLIGATIONS

8.1. **Association Maintenance**. The Association's maintenance obligations will be discharged when and how the Board deems appropriate. Unless otherwise set forth in the Allocation Document, the Association maintains, repairs and replaces, as a Common Expense, the following:

(i) All Common Elements (including Residential LCE, Commercial LCE, the Skin and Structure). Notwithstanding anything contained in this *Section 8.1*, the costs associated with the maintenance, repair or replacement of Residential LCE will be assessed as a Residential Unit Assessment and the costs associated with the repair or replacement of Commercial LCE will be assessed as a Commercial Unit Assessment; and

(ii) Periodic painting, staining, caulking and/or cleaning of entry doors and door frames of a Residential Unit and Residential LCE, on a schedule to be determined by the Board. The Board may not paint, stain, caulk or clean entry doors or door frames of a Commercial Unit or Commercial LCE without the advance written consent of the Owner of the Commercial Unit.

The Association may be relieved of all or any portion of its maintenance responsibilities herein to the extent that (i) such maintenance responsibility is otherwise assumed by or assigned to an Owner, or (ii) such property is dedicated to any local, state or federal government or quasi-governmental entity; provided, however, that in connection with such assumption, assignment or dedication, the Association may reserve or assume the right or obligation to continue to perform all or any portion of its maintenance responsibilities, if the Board determines that such maintenance is necessary or desirable.

Subject to the maintenance responsibilities herein provided, any maintenance or repair performed on or to the Common Elements by an Owner or Occupant that is the responsibility of the Association hereunder shall be performed at the sole expense of such Owner or Occupant and the Owner and Occupant shall not be entitled to reimbursement from the Association even if the Association accepts the maintenance or repair.

The Association shall repair incidental damage to any Unit resulting from performance of work that is the responsibility of the Association. As finish levels can have varying degrees, such repairs will be complete only to the extent of being "paint-ready". Such repair and subsequent cleaning shall be performed on a reasonableness standard. In performing its responsibilities hereunder, the Association shall have the authority to delegate to such Persons of its choice such duties as are approved by the Board.

The Association shall not be liable for injury or damage to Person or property caused by the elements or by the Owner or Occupant of any Unit or any other Person or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder, except for injuries or damages arising after the Owner or Occupant of a Unit has put the Association on written notice of a specific leak or flow from any portion of the Common Elements and the Association has failed to exercise due care to correct the leak or flow within a reasonable time thereafter. The Association shall not be liable to any Owner of any Unit or such Owner's Occupant or their guests and invitees for loss or damage, by theft or otherwise, of any property, which may be stored in or upon any of the Common Elements or any Unit. The Association shall not be liable to any Owner or any Owner's Occupant or their guests and invitees for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Section where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities. No diminution or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under the Documents or for inconvenience or discomfort arising from the making of repairs or Improvements which are the responsibility of the Association or from any action taken by the

Association to comply with any law, ordinance or with any order or directive of any municipal or other governmental authority.

8.2. **Inspection Obligations**.

8.2.1. Contract for Services. The Association shall, at all times, contract with (subject to the limitations otherwise set forth in this Declaration) or otherwise retain the services of independent, qualified, licensed individuals or entities to provide the Association with inspection services relative to the maintenance, repair and physical condition of the Regime.

8.2.2. Schedule of Inspections. Inspections will take place in accordance with prudent business practices. A Guide to Association's Examination of Common Elements is attached to this Declaration as Exhibit "E". The inspectors shall provide written reports of their inspections to the Association promptly following completion thereof. The written reports shall identify any items of maintenance or repair that either require current action by the Association or will need further review and analysis. Subject to the provisions of this Declaration below, the Board shall promptly cause all matters identified as requiring attention to be maintained, repaired, or otherwise pursued in accordance with prudent business practices and the recommendations of the inspectors.

8.2.3. Notice to Declarant. During the Development Period, the Association shall deliver to Declarant ten (10) days advance written notice of all such inspections (and an opportunity to be present during such inspection, personally or through an agent) and shall provide Declarant (or its designee) with a copy of all written reports prepared by the inspectors.

8.2.4. Limitation. The provisions of this Section shall not apply during the Declarant Control Period unless otherwise directed by the Declarant.

8.3. **Owner Responsibility**. Except as otherwise expressly provided in this Declaration or the Allocation Document, each Owner shall operate and fully maintain, repair and, when necessary, replace, at its cost and expense, all portions of such Owner's Unit and all areas that Owner has agreed to operate, maintain, repair and replace elsewhere in this Declaration, and all items, equipment, facilities, utilities and other items with respect to which it has exclusive rights (regardless of who actually owns the Unit on which such items are located), so that the same are at all times in good order, condition and repair, and in accordance with any applicable standards, procedures or requirements of the Documents. The foregoing obligation by each Owner to operate, maintain, repair and, when necessary, replace, shall include, without limitation, keeping all portions of the Unit and any Limited Common Element (including Commercial LCE and Residential LCE) serving such Unit in a clean, unlittered orderly and sanitary condition.

A summary of the maintenance responsibilities allocated among the Association and the Owners generally is set forth on Exhibit "F", attached hereto and incorporated herein by reference.

8.4. **Disputes**. If a dispute arises regarding the allocation of maintenance responsibilities by this Declaration, the dispute will be resolved by the Board, who shall delegate such maintenance responsibilities to either the Association or the individual Owner(s), as determined by the Board in its sole and absolute discretion.

8.5. **Warranty Claims**. If the Owner is the beneficiary of a warranty against defects of the Common Elements, then the Owner irrevocably appoints the Association, acting through the Board, as his attorney-in-fact to file, negotiate, receive, administer, and distribute the proceeds of any claim against the warranty that pertains to Common Elements.

8.6. **Sheetrock**. Notwithstanding anything to the contrary in the Documents, the Association is not responsible for the repair and replacement of sheetrock in any Unit, or for any surface treatments on the sheetrock, regardless of the source of damage and the availability of insurance. This provision is provided for the benefit of the Association and is warranted by the difficulty of scheduling interior sheetrock work and the possibility that the Owner may not be satisfied with the quality or appearance of spot repairs. If the Association receives insurance proceeds for sheetrock damage to a Unit and chooses to not perform the repairs, then the Owner of the damaged Unit is entitled to the proceeds in exchange for an indemnification regarding the damage and a release from future claims for the same damage.

8.7. **Mold and/or Mildew**. Mold and/or mildew can grow in any portion of the Building that is exposed to elevated levels of moisture including, but not limited to, the parking facilities and those portions of the Building in which HVAC condenser units are located. Therefore, all Owners and the Association agree with respect to their defined areas of maintenance responsibility to: (i) regularly inspect the parts of the Building and Unit that they respectively maintain and which are visible and accessible without having to first conduct invasive testing, for the existence of mold, mildew and/or water intrusion (except when the water intrusion is part of the normal functioning of Improvements and appliances such as showers, sinks, dishwashers and other similar appliances and Improvements) and/or damage; (ii) upon discovery, immediately repair in a good and workman-like condition the source of any water intrusion in the parts of the Building or Unit that they respectively maintain; (iii) remediate or replace any building material located in the parts of the Building or Unit that they respectively maintain that has absorbed water or moisture as a result of water intrusion; and (iv) promptly and regularly remediate all mold and/or mildew discovered in the parts of the Building or Unit that they respectively maintain in accordance with current industry-accepted methods. In addition, the Association agrees to notify the Owners and Declarant, and each Owner agrees to notify the Association and Declarant of the discovery of mold, mildew and/or water intrusion and/or damage in the parts of the Building or Unit that they respectively maintain. Each Owner further agrees not to block or cover or permit anyone to block or cover any of the heating, ventilation or air-conditioning ducts located in his Unit.

Notwithstanding anything to the contrary herein, Declarant shall have no obligation to perform any invasive testing or inspections, maintenance or repairs in accordance with this

subparagraph and shall not be held liable for any loss or damage caused by the failure of the Association or an Owner to perform their obligations herein.

8.8. **Balconies**. Notwithstanding any provision in this Declaration to the contrary, the Owner is responsible for the routine cleaning of the balcony appurtenant to such Owner's Unit. In the event the Association is required to access an Owner's balcony to perform any maintenance, repair or replacement, the Owner will provide access through the Owner's Unit to the Association and its Permittees. In conjunction with any maintenance, repair or replacement by the Association, and upon the Association's written request, the Owner will promptly remove all personal property from the balconies during such maintenance, repair or replacement. The Association may levy an Individual Assessment against an Owner and the Owner's Unit for any costs or expenses incurred by the Association as a result of such Owner's failure or refusal to cooperate with the Association's requests for access or removal.

8.9. **Measures Related to Insurance Coverage**. The Board, upon resolution, shall have the authority to require all or any Residential Unit Owner(s) to do any act or perform any work involving portions of the Regime which are the maintenance responsibility of the Owner, which will, in the Board's sole discretion, decrease the possibility of fire or other damage in the Regime, reduce the insurance premium paid by the Association for any insurance coverage or otherwise assist the Board in procuring or maintaining such insurance coverage. This authority shall include, but need not be limited to, requiring Residential Unit Owners to install and maintain smoke detectors, requiring Residential Unit Owners to certify that they have wired the smoke detectors to the Building's fire panel, requiring Residential Unit Owners to allow the Association to inspect the smoke detectors on a schedule to be determined by the Board, requiring Residential Unit Owners to make Improvements to the Owner's Residential Unit, and such other measures as the Board may reasonably require. In addition to, and not in limitation of, any other rights the Association may have, if any Residential Unit Owner does not comply with any requirement made by the Board pursuant to this Section, the Association, upon fifteen (15) days' written notice (during which period the Owner may perform the required act or work without further liability), may perform such required act or work at the Owner's sole cost. Such cost shall be an Individual Assessment and a lien against the Residential Unit as provided herein. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to this Section, including, but not limited to, a right of entry during reasonable hours and after reasonable notice to the Owner or Occupant of the Residential Unit, except that access may be had at any time without notice in an emergency situation.

8.10. **Owner's Default in Maintenance**. If the Board determines that a Residential Unit Owner has failed to properly discharge such Residential Unit Owner's obligation to maintain, repair, and replace items for which the Residential Unit Owner is responsible, then the Board may give the Residential Unit Owner written notice of the Association's intent to provide the necessary maintenance at the Residential Unit Owner's expense. The notice must state, with reasonable particularity, the maintenance deemed necessary and a reasonable period of time in which to complete the work. If the Residential Unit Owner fails or refuses to timely perform the

maintenance, the Association may do so at the Residential Unit Owner's expense, which may be levied as an Individual Assessment against the Residential Unit Owner and the Owner's Residential Unit. In case of an emergency, however, the Board's responsibility to give the Owner written notice may be waived and the Board may take any action it deems necessary to protect Persons or property, the cost of the action being the Owner's expense.

8.11. **Failure to Maintain**. Notwithstanding the foregoing obligations to maintain, repair and replace, if any Owner or those claiming by, through or under it, abuses, misuses or fails to operate, maintain, repair or replace in the manner provided in this Declaration any item for which it is responsible hereunder or otherwise creates a situation in any portion of the Regime with respect to which non-exclusive easements and licenses have been granted by this Declaration such that said areas require maintenance, repair or replacement in excess of what would be required by normal use of said areas for their intended purposes, the Owner causing the excess use shall be responsible for the excess costs of operating, maintaining, repairing and replacing said areas, which may be levied as an Individual Assessment against the Owner and the Owner's Unit. Each Owner shall indemnify and hold harmless Declarant, the Association, and the other Owners (except for their own negligence) from all loss, damage, cost, liability or expense, including, without limitation, reasonable attorneys' fees actually incurred, arising from such Owner's failure to operate, maintain, repair or replace in the manner provided in this Declaration any item for which it is responsible hereunder or otherwise creates a situation in any portion of the Property with respect to which non-exclusive easements and licenses have been granted by this Declaration such that said areas require maintenance, repair or replacement in excess of what would be required by normal use of said areas for their intended purposes. Each Owner shall maintain and promptly upon request, from time to time, make available to Declarant during the Development Period, the Association and any other Owner complete maintenance records for its Unit with respect to which easement rights exist under this Declaration. As to any items (such as exterior painting) that require coordination or cooperation as to timing, materials, payment or the like, the parties shall be reasonable in so cooperating and coordinating.

8.12. **Allocation Document**. Declarant may determine that the expenses associated with certain components and functions of the Regime shall be allocated in a manner other than by the Common Expense Liability and any such different allocations will be set forth in the Allocation Document. A copy of the Allocation Document shall be maintained in the records of the Association, may be Recorded by the Declarant or the Association, and shall be binding upon all the Owners, Occupants, and any other party at any time having any interest in the Regime. The Allocation Document may be amended or modified only by the Declarant during the Development Period, and the Board thereafter.

8.13. **Commercial Unit Services**. Notwithstanding anything contained in this Declaration, the Commercial Unit Owner shall have the right to provide Commercial Unit Services in its sole discretion. Notwithstanding anything contained in this Declaration, in the event the Commercial Unit Owner elects to provide the Commercial Unit Services but fails to keep the landscaping located within the General Common Elements in good condition and repair,

the Association, after giving reasonable notice of its intent to do so, may affect the necessary maintenance, repair, or replacement to the landscaping and charge the actual or anticipated costs associated as Regular Assessments.

ARTICLE 9
ARCHITECTURAL COVENANTS AND CONTROL

9.1. **Purpose**. Because the Units are part of a single, unified community, the Architectural Reviewer has the right to regulate every aspect of the design, use and appearance of Units and Common Elements. One purpose of this Article is to promote and ensure the level of taste, design, quality, and harmony by which the Property is developed and maintained. Another purpose is to allow the Association to respond to changes in technology, style, and taste. The Architectural Reviewer has the right to regulate every aspect of proposed or existing Improvements within the Regime, including replacements or modifications of original construction or installation. During the Development Period, a primary purpose of this Article is to reserve and preserve Declarant's right of architectural control.

9.2. **Declarant Rights**. During the Development Period, neither the Association, the Board, nor a committee appointed by the Association or Board (no matter how the committee is named) may involve itself with architectural control over the Regime. Until expiration of the Development Period, architectural control over the Regime is discharged by Declarant or its designee. In reviewing and acting on an application for approval, Declarant may act solely in its self-interest and owes no duty to any other Person or any organization.

9.2.1. Owner Agrees. Each Owner, by accepting an interest in or title to a Unit, covenants and agrees that Declarant has a substantial interest in ensuring that the Improvements within the Property enhance Declarant's reputation as a community developer and do not impair Declarant's ability to market the Regime or the Units or Declarant's other developments. Accordingly, during the Development Period, architectural approval may be granted or withheld at Declarant's sole discretion.

9.2.2. Delegation by Declarant. During the Development Period, Declarant may from time to time, but is not obligated to, delegate all or a portion of its reserved rights under this Article to a committee comprised of architects, engineers, or other Persons who may or may not be Members of the Association. Any such delegation must be in writing and must specify the scope of delegated responsibilities. Any such delegation is at all times subject to the unilateral rights of Declarant: (i) to revoke such delegation at any time and reassume jurisdiction over the matters previously delegated; and (ii) to veto any decision which Declarant, in its sole discretion, determines to be inappropriate or inadvisable for any reason.

9.3. **Limits on Liability**. Until expiration or termination of the Development Period, Declarant has sole discretion with respect to taste, design, and all standards specified by this Article. After expiration or termination of the Development Period, or after a delegation of duties

as provided in *Section 9.2* above, the Association has sole discretion with respect to taste, design, and all standards specified by this Article. Neither Declarant, nor the Association, or their directors, officers, committee members, employees or agents, as the case may be, will have any liability for decisions made in good faith, and which are not arbitrary or capricious. Neither Declarant, nor the Association, or their directors, officers, committee members, employees or agents, as the case may be, are responsible for: (i) errors in or omissions from the plans and specifications submitted for approval; (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.

9.4. **Prohibition of Construction, Alteration and Improvement**. Without the Architectural Reviewer's prior written approval, a Person may not commence or continue any construction, alteration, addition, improvement, installation, modification, redecoration, or reconstruction of or to the Property (including any Unit), or do anything that affects the appearance, use, or structural integrity of the Property (including any Unit), if such activity would: (i) involve connection to or relocating pipes, lines, vents, conduits and/or other apparatus associated with common utilities; (ii) place an excessive load on any structural or load bearing portion of a Unit; or (iii) require penetration of any concrete floor or ceiling slab.

9.5. **No Deemed or Verbal Approval**. Approval by the Architectural Reviewer may not be deemed, construed, or implied from an action, a lack of action, or a verbal statement by Declarant, Declarant's representative or designee, or an Association director or officer, a member or chair of the Architectural Reviewer-appointed architectural control committee, the Association's manager, or any other representative of the Association. To be valid, approval of the Architectural Reviewer must be: (i) in writing; (ii) on a form or letterhead issued by the Architectural Reviewer; (iii) signed and dated by a duly authorized representative of the Architectural Reviewer; (iv) specific to a Unit; and (v) accompanied by detailed plans and specifications showing the proposed change. If the Architectural Reviewer fails to respond in writing – negatively, affirmatively, or requesting information – within sixty (60) days after the Architectural Reviewer's actual receipt of the Owner's application, then the application is deemed denied. Under no circumstance may approval of the Architectural Reviewer be deemed, implied, or presumed. If the Architectural Reviewer approves a change, the Owner or the Architectural Reviewer may require that the architectural approval be Recorded. Approval of an architectural change automatically terminates if work on the approved Improvement has not started by the commencement date stated in the approval instrument or, if no commencement date is stated, within ninety (90) days after the date of approval.

9.6. **Application to Architectural Reviewer**. To request Architectural Reviewer approval, an Owner must make written application and submit two 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 Reviewer in conjunction with the application. The Architectural Reviewer 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." The Architectural Reviewer will retain the other set of plans and specifications, together with the application, for its files. The Architectural Reviewer has the right, but not the duty, to evaluate every aspect of construction and property use that may alter or adversely affect the general value of appearance of the Property.

9.7. **Owner's Duties**. If the Architectural Reviewer approves an Owner's application, then the Owner may proceed with the Improvement, provided:

(i) The Owner adheres strictly to the plans and specifications which accompanied his application.

(ii) The Owner initiates and completes the Improvement in a timely manner.

(iii) If the approved application is for work that requires a building permit from The Woodlands Township, the Owner must obtain the appropriate permit. The Architectural Reviewer's approval of plans and specifications does not mean that they comply with the city's requirements. Alternatively, approval by the city does not ensure Architectural Reviewer approval.

ARTICLE 10
USE RESTRICTIONS

10.1. **Variance**. The use of the Regime is subject to the restrictions contained in this Article, and subject to Rules adopted pursuant to this Declaration. The Declarant, and after the expiration of the Development Period, 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 Declarant and/or a Majority of the Board, as applicable. The grant of a variance does not constitute a waiver or estoppel of the Association's right to deny a variance in other circumstances.

10.2. **Association's Right to Promulgate Rules and Amend Community 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; provided, however, no Rule may be adopted that affects the use or operation of a Commercial Unit without the advance written approval of the Owner of such Commercial Unit. The Association, acting through a Majority of the Board, is further granted the right to adopt, amend, repeal, and enforce the Community Manual, setting forth therein such policies governing the Association as the Board determines to be in the best interest of the Association, in its sole and absolute discretion; provided, however,

that during the Development Period, any modification, amendment or repeal to the Community Manual or the Rules, and each new policy or Rule, must be approved in advance and in writing by the Declarant.

10.3. **Rules**. In addition to the restrictions contained in this Article, each Residential Unit is owned and occupied subject to the right of the Board to establish Rules, and penalties for infractions thereof, governing:

(i) Use of Common Elements.

(ii) Hazardous, illegal, or annoying materials or activities on the Property.

(iii) The use of services provided through the Association.

(iv) The consumption of utilities billed to the Association.

(v) The use, maintenance, and appearance of anything visible from the street, Common Elements, or other Units.

(vi) The occupancy and leasing of Units.

(vii) Animals.

(viii) Vehicles.

(ix) Disposition of trash and control of vermin, termites, and pests.

(x) Anything that interferes with maintenance of the Property, operation of the Association, administration of the Documents, or the quality of life for Occupants.

10.4. **Use of Common Elements**. Except as expressly permitted in the Documents, 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 Declarant (during the Declarant Control Period) and the Board thereafter, except as specifically provided herein. With prior written approval, and subject to any restrictions imposed by Declarant or the Board, an Owner may reserve portions of the Common Elements for use for a period of time as set by Declarant or the Board. Any such Owner who reserves a portion of the Common Elements as provided herein shall assume, on behalf of himself or herself and his or her guests, Occupants and family, all risks associated with the use of Common Elements and all liability for any damage or injury to any Person or thing as a result of such use. The Association shall not be liable for any damage or injury resulting from such use unless such damage or injury is caused solely by the willful acts or gross negligence of the Association, its agents or employees.

10.5. **Prohibition of Damage, Nuisance and Noise**. Nothing shall be done or kept on the Property, or any part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body.

The Residential Units are built in close proximity to one another, resulting in the sharing of common walls, floors and ceilings. As a result, noise and vibration may be detectable between Units or between Units and the Common Elements. Therefore, an Owner or Occupant shall not conduct activities within a Residential Unit or use a Residential Unit in a manner that interferes with or causes disruption to the use and quiet enjoyment of another Unit by its respective Owner and Occupant.

Furthermore, noxious, destructive or offensive activity shall not be carried on within any portion of the Residential Units, Residential LCE or General Common Elements. No Owner or Occupant of a Residential Unit may use or allow the use of the Residential Unit, Residential LCE or General Common Elements at any time, in any way or for any purpose which may endanger the health, unreasonably annoy or disturb or cause embarrassment, or discomfort to other Owners or Occupants, or in such a way as to constitute, in the sole opinion of Declarant during the Development Period, and the Board thereafter, a nuisance. In addition, no Residential Unit Owner or Occupant of a Residential Unit may use or allow the use of a Residential Unit or the Common Elements in any manner which creates disturbing noises, including, without limitation, use of stereo speakers or equipment that will, in the sole discretion of the Board, interfere with the rights, comfort or convenience of the other Owners or Occupants. Nothing herein, however, shall be construed to affect the rights of an aggrieved Owner to proceed individually for relief from interference with his or her property or personal rights.

No Owner, Occupant or agent of such Owner or Occupant shall do any work which, in the reasonable opinion of the Board or its designee, would jeopardize the soundness or safety of the Property or any structure created thereon, would reduce the value thereof, or would impair any easement or other interest in real property thereto, without in every such case the unanimous, prior written consent of all Members and their Mortgagees.

No damage to or waste of the Common Elements, or any part thereof, shall be permitted by any Owner or Member of his or her family or any invitee of any Owner. Each Owner shall indemnify and hold the Association and the other Owners harmless against all loss to the Association or other Owners resulting from any such damage or waste caused by such Owner, members of his or her family, guests, invitees, or Occupants of his or her Unit.

10.6. **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 directly en route to a motor vehicle that is owned by the Occupant or under the Occupant's control, or directly en route to the Occupant's Unit. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size, and shall also include, without limitation, sling shots, archery, and other projectile emitting devices. The Association, acting through the Board, is granted the right, but not the duty, to adopt, amend, and repeal Rules regarding the carrying of handguns, both openly carried or concealed, and the posting of signs and notices prohibiting such activity.

10.7. **Handicapped Parking**. Each Unit may have one or more parking spaces assigned for its exclusive use. Such assigned parking spaces may only be used by the Owner or Occupants to whom the parking spaces are assigned, and their guests and families. Notwithstanding anything to the contrary stated herein, with respect to any handicap parking spaces assigned exclusively to a Unit, such handicap parking spaces shall be assigned subject to the rights of Declarant (during the Development Period) or the Association thereafter to require the Owner to whose Unit such handicap parking space has been assigned (hereinafter, the "**Original Owner**") to grant a license to use such handicap parking space to another Owner (hereinafter, the "**Disabled Owner**"), provided that: (i) the Disabled Owner (or his or her Occupant) qualifies under Applicable Laws to use a handicap parking space in public facilities, (ii) the Disabled Owner provides the Original Owner with a license to use the Disabled Owner's parking space, and (iii) upon such time that the Disabled Owner (or his or her Occupant) no longer qualifies as provided in subsection (i) hereof, the licenses shall automatically expire and the Original Owner and the Disabled Owner shall use their respective, original parking spaces. In the event more than one (1) handicapped space has been assigned to an Original Owner who is not disabled and the Declarant (during the Development Period) or the Association thereafter requires reassignment to a Disabled Owner, the handicapped space to be reassigned will be determined by random selection.

10.8. **Heating and Cooling of Units**. In order to prevent breakage of water pipes during colder months of the year and growth of mold and mildew during warmer months of the year resulting in damage to any portion of the Regime, increased Common Expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, when the thermostats are in heating mode, the Units shall be maintained at a setting of no less than fifty-five (55) degrees Fahrenheit, and when the thermostats are in cooling mode, the Units shall be maintained at a setting of no more than seventy-eight (78) degrees Fahrenheit (except during power failures or periods when air conditioning equipment is broken). Owners and Occupants shall take all steps possible on a timely basis to keep heating and cooling equipment, including, but not limited to, the thermostat, in good working order and repair.

10.9. **Abandoned Personal Property**. Personal property shall not be kept, or allowed to remain for more than one (1) hour upon any portion of the Common Elements, other than on a Limited Common Element, without prior written Board permission. If the Board determines that a violation exists, then, the Board may remove and either discard or store the personal property in a location which the Board may determine and shall have no obligation to return, replace or reimburse the owner of the property; provided, however, in such case, the Board shall give the property owner, if known, notice of the removal of the property and the disposition of the property within twenty-four (24) hours after the property is removed. Neither the Association nor any officer or agent thereof shall be liable to any Person for any claim of damage resulting from the removal activity in accordance herewith. The Board may elect to impose fines or use other available remedies, rather than exercise its authority to remove property hereunder.

10.10. **Move In/Move Out**. The Association has the right to adopt Rules associated with the moving of furniture, personal property, construction materials, and other over-sized items in or out of the Building. The Association may require a nonrefundable security deposit prior to using an elevator for moving furniture, construction materials or other over-sized items. The Association shall also be authorized to approve movers and/or moving companies that require access to the Building for the purpose of moving furniture, construction materials, and other over-sized items, on behalf of an Owner or Occupant, in or out of the Building, but such consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding anything to the contrary stated herein, an Owner or Occupant shall not leave unattended any furniture, personal property, construction materials, and other over-sized items on any portion of the Building for any period of time.

10.11. **Animals - Household Pets**. The Rules contain various restrictions regarding the maintenance of pets in the Regime, as may be supplemented from time to time by the Board.

10.12. **Declarant Privileges**. In connection with the development and marketing of the Units, Declarant has reserved a number of rights and privileges to use the Regime in ways that are not available to other Owners and Occupants, as provided in this Declaration and on Appendix "A" attached hereto. Declarant's exercise of a Development Period right that appears to violate a provision of this Article does not constitute waiver or abandonment of the restriction by the Association.

10.13. **Fire Safety**. No Person may use, misuse, cover, disconnect, tamper with, or modify the fire and safety equipment within the Regime, including the sprinkler heads and water lines in and above the ceilings of the Unit, or interfere with the maintenance and/or testing of same by Persons authorized by the Association or by public officials.

10.14. **Weight and Sound Restriction**. In addition to and without limiting the provisions set forth in *Article 9* of this Declaration, an Owner or other Person authorized by such Owner: (i) shall not install any hard and/or heavy surface floor coverings including, without limitation, tile, marble, stone, wood and the like unless approved by the Architectural Reviewer; and (ii) must ensure a sound control underlayment system is used, which system must be approved in writing by the Architectural Reviewer prior to installation. Installation of such sound control underlayment system shall include provisions for a perimeter insulation material which will ensure that impact noises are not transmitted into a space below, either directly through the floor or by flanking through the surrounding walls. Each Owner hereby acknowledges and agrees that sound transmission in a high rise building such as the Regime is very difficult to control, and that noises from adjoining or nearby Units and/or mechanical equipment can often be heard in another Unit. **THIS DECLARATION DOES NOT MAKE ANY REPRESENTATION OR WARRANTY AS TO THE LEVEL OF SOUND TRANSMISSION BETWEEN AND AMONG UNITS IN THE OTHER PORTIONS OF THE REGIME, AND EACH OWNER HEREBY WAIVES AND EXPRESSLY RELEASES ANY SUCH WARRANTY AND CLAIM FOR LOSS OR DAMAGES RESULTING FROM SOUND TRANSMISSION.**

NOT SOUNDPROOFED
The Units are not soundproofed. Noise transmission will occur.

10.15. **Residential Restrictions**. The use of the Residential Units is subject to the following:

10.15.1. Occupancy. The Board may adopt Rules regarding the occupancy of Residential Units. If the Rules fail to establish occupancy standards, no more than two Persons per bedroom may occupy a Residential Unit, subject to the exception for familial status. The Association's occupancy standard for Occupants who qualify for familial status protection under the fair housing laws may not be more restrictive than the minimum (*i.e., the fewest people per Unit*) permitted by the U.S. Department of Housing and Urban Development. A Person may not occupy a Residential Unit if the Person constitutes a direct threat to the health or safety of other Persons, or if the Person's occupancy would result in substantial physical damage to the property of others.

10.15.2. Permitted Residential Uses; Prohibited Residential Uses Restriction. The use of a Residential Unit is limited exclusively to residential purposes or any other use permitted by this Declaration. No professional, business, commercial (including auctions or similar events), manufacturing, mercantile, storage, vending or other nonresidential purposes, including, without limitation, any activity for which the provider is compensated in any way or receives any form of consideration; provided, however, that Declarant, its agents, successors and assigns may use any portion of the Regime for model Unit site(s), rental and sales offices and the display of signs associated with such sales and leasing activities. The provisions of this *Section 10.15.2* shall not preclude any of the above-described activities without external evidence thereof, provided that all of the following conditions are fulfilled: (i) such activities are conducted in conformance with all applicable governmental ordinances (ii) the existence or operation of such activities is not apparent or detectable by sight, sound or smell from outside of the boundaries of the Unit; (iii) no such activity increases the liability or casualty insurance obligation or premium of the Association; and (iv) such activities are consistent with the residential character of the Regime and conform with the provisions of this Declaration.

10.16. **Commercial Restrictions**. The Commercial Unit(s) may be used for professional, business, or commercial activity that conforms to all zoning requirements applicable to the Property. The Commercial Unit(s) may not be used for: (i) a business that specializes in bankruptcy or liquidation sales or the selling of fire damaged items, (ii) an auction house, flea market, pawn shop, thrift store or other store which sells used or "second-hand" merchandise; (iii) a kennel or other business involving the boarding or care of animals; (iv) an establishment for sale of automobiles, trucks, mobile homes, or recreational motor vehicles; (v) a dance hall (except a professional dance instruction studio), ballroom, discotheque or game parlor; (vi) an adult type bookstore or other establishment selling, renting, displaying or exhibiting pornographic or obscene materials (including without limitation, magazines, books, movies,

videos, photographs or so called "sexual toys") or providing adult type entertainment or activities (including, without limitation, any displays or activities of a variety involving, exhibiting or depicting sexual themes, nudity or lewd acts); (vii) a sexually oriented massage parlor; (viii) a gambling establishment or betting parlor; (ix) a mortuary, crematorium or funeral home; (x) a dry cleaning plant, central laundry or laundromat; (xi) a storage or mini warehouse facility; or (xii) any use which is offensive by reason of odor, fumes, dust, smoke, noise or pollution, or hazardous by reason of excess danger of fire or explosion.

10.17. **Auxiliary Unit Restrictions**. The Auxiliary Units may be used solely for residential purposes. Auxiliary Units may only be owned by an Owner of a Non-Auxiliary Residential Unit, and used by such Owner's guests and invitees (each, an "**Auxiliary Unit Occupant**"). Auxiliary Units may not be leased. No Owner of an Auxiliary Unit shall sell, convey, assign, lease or otherwise transfer its Auxiliary Unit to anyone other than (i) a transferee who also concurrently acquires such Owner's Non-Auxiliary Residential Unit, or (ii) another Owner of a Non-Auxiliary Residential Unit. Each Owner of an Auxiliary Unit shall be responsible for (i) all assessments, costs and charges attributable to such Owner's Auxiliary Unit, including any costs or charges incurred by or damage caused by such Owner's Auxiliary Unit Occupants, and (ii) the actions and omissions of all Auxiliary Unit Occupants occupying such Owner's Auxiliary Unit. The Auxiliary Units are not allocated a voting interest and each Owner of an Auxiliary Unit will vote solely the voting interest assigned to such Owner's Non-Auxiliary Residential Unit.

10.18. **Signs**. No sign of any kind, including signs advertising Units for sale, for rent or for lease, may be erected, placed, or permitted to remain on the Property or to be visible from windows in the Units. As used in this Section, "sign" includes, without limitation, lettering, images, symbols, pictures, shapes, lights, banners, and any other representation or medium that conveys a message. The Architectural Reviewer may, but is not required to, authorize a sign, and such authorization may specify the location, nature, dimensions, number, and time period of a sign. This prohibition against signs also applies to any object visible from a street or driveway which the Board deems to be unsightly or inappropriate. The Association may cause the immediate removal of any sign or object that violates this Section or which the Board deems inconsistent with Property standards without liability for trespass or any other liability connected with the removal. As provided in Appendix "A", Declarant has reserved the right to maintain signs and other items on the Property for the purpose of promoting, identifying and marketing the Property and off-site developments of Declarant or its assigns.

10.19. **Structural Integrity**. No Person may directly or indirectly impair the structural soundness or integrity of a Building or a Unit, nor do any work or modification that will impair an easement or real property right.

10.20. **Antennas and Satellite Dishes**. Except as provided below, no satellite dish, antenna or other device for the transmission or reception of television signals, radio signals or any form of electromagnetic wave or radiation shall be erected, used or maintained on any portion of the Regime, including the Unit or a balcony; provided, however, that the Association

shall have the right, but not the obligation, to erect, construct and maintain such devices. The following shall apply to all Unit Owners:

(A) No transmission antenna, of any kind, may be erected anywhere within the Regime, without written approval of the Architectural Reviewer.

(B) DBS and MMDS satellite dishes or antennas one meter or less in diameter and television broadcast service antennas may only be installed in accordance with Federal Communication Commission (FCC) rules and the Rules of the Association, and only if and to the extent such rules mandate that such dishes or antennas be allowed, both as may be amended from time to time. In such event, the Architectural Reviewer may designate and restrict the specific location and color of such satellite dishes and antennas, to the extent permitted under the FCC rules and regulations.

10.21. **Cable Conduit**. The Property is designed with a conduit for use with cable television lines. Each Owner may use the conduit for its intended purpose and for no other purpose. The draping of cable wires on the exterior of the Building, or the installation of additional conduits, are prohibited without the Architectural Reviewer's prior written consent.

10.22. **No Piercing of Walls**. In addition to and without limiting the provisions set forth in *Article 9* of this Declaration, an Owner or other Person authorized by such Owner shall not pierce any of the Unit walls with any type of nail, screw, drill bit or other similar item in excess of ¾ inch in length without first obtaining the consent of the Architectural Reviewer.

10.23. **Rubbish, Trash and Garbage**. All rubbish, trash and garbage will be regularly removed from a Unit and shall not be allowed to accumulate therein. No rubbish, trash or garbage shall be placed on the General Common Elements or Limited Common Elements, and will be moved to the Regime's common trash facilities for collection, or otherwise removed from the Regime by an Owner or Occupant.

10.24. **Wireless Internet Systems**. A wireless internet communication network ("**WiFi System**") may be installed or otherwise used in a Unit provided precautions are taken to insure against interfering with, disturbing, or intercepting computer, communications, or other permitted electronic signals, networks, or systems installed in other portions of the Regime. The Association may establish reasonable requirements relating to the installation of WiFi Systems that must be complied with, including, without limitation, requiring assurance from the installation of the system that proper precautions are being taken. Notwithstanding the foregoing, compliance with requirements relating to the installation of WiFi Systems is not a guarantee that any WiFi System installed or otherwise used in a Unit will not interfere with, disturb, or intercept other signals, networks, or systems within the Regime. The Association may require that any WiFi System found to cause such problems be terminated. The Association, Declarant, and their respective current and former partners, members, directors, officers agents employees, affiliates, and committee members, shall not in any way be considered insurers or guarantors of the proper operation or use of any WiFi Systems in the Regime, nor shall any of

such Persons be held liable for any loss or damage relating to the use or operation of WiFi Systems in the Regime.

10.25. **Restriction on Resale of Units During Sales Restriction Period**. No Owner shall offer any Unit for sale or advertise or otherwise market or attempt to market a Unit for sale in any way during the Sales Restriction Period. This restriction shall not apply to any (i) foreclosure; (ii) acceptance of a deed in lieu of foreclosure; (iii) resale of Units after the events set forth in (i) and (ii) above; or (iv) exercise of the power of sale by any Mortgagee. In addition, this restriction shall not apply to any Mortgagee. Additionally, no Owner shall utilize any marketing materials for the Regime prepared by the Declarant or a sales agent working in connection with the Declarant to market or attempt to market such Owner's Unit for sale.

10.26. **Use of Common Elements and Balconies**. Except as otherwise provided herein, the use of the Common Elements assigned to the Units is restricted exclusively to the Owners of the Unit to which such Common Elements are assigned, and said Owner's family members, guests, tenants and invitees. The assigned Common Elements are reserved for exclusive use, but shall not be construed or interpreted to be separate and apart from the Common Elements in general, and the restrictions applicable to the Common Elements shall also apply to the assigned Common Elements. Each Owner is advised to review any applicable Rules for restrictions pertaining to objects which may and may not be placed on a balcony serving a Unit.

10.27. **Smoking Prohibited**. Unless enforcement of this provision is prohibited by Applicable Law, all forms of smoking are **PROHIBITED** within the Building, the General and Limited Common Elements, Commercial LCE, Residential LCE, elevators, hallways, garages, Units, and the balconcy, terrace, or couryard of a Unit. Smoking, for the purpose of this provision, means the inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, pipe, weed, plant, any electronic smoking device, or other combustible substance in any manner or in any form. An electronic smoking device, for the purpose of this provision, means any product containing or delivering nicotine or any other substance intended for human consumption that can be used by a person to inhale or simulate smoking through the inhalation of vapor or aerosol from the product, and includes any such device, whether manufactured, distributed, marketed, or sold as an e-cigarette, e-cigar, e-pipe, e-hookah, or vape pen, or under any other product name or descriptor, and any aerosol, liquid, or vapor used in such a device.

ARTICLE 11
UNIT LEASING

11.1. **Leasing of Residential Units Generally**. In order to preserve the character of the Regime as predominantly Owner-occupied, and to comply with the eligibility requirements for financing in the secondary mortgage market, the leasing of Residential Units shall be governed by the restrictions imposed by this Article. The provisions of this *Article 11* shall not apply to any Commercial Unit.

11.2. **Leasing Provisions**. Leasing of the Residential Units shall be governed by the following provisions:

11.2.1. Notice. The Board, at its election, may require that prior to entering into the lease of a Residential Unit, the Owner provide the Board with a copy of the proposed lease agreement. The Board shall approve or disapprove the form of said lease. In the event a lease is disapproved, the Board shall notify the Owner of the requisite action to be taken in order to bring the lease in compliance with this Declaration and any Rules. Nothing herein shall be construed as giving the Association the right to approve or disapprove a proposed lessee; the Board's approval or disapproval shall be limited to the form of the proposed lease. The provisions of this *Section 11.2.1* shall not apply to leases of any Commercial Unit.

11.2.2. General. Residential Units may be leased only in their entirety; no fraction or portion may be leased without prior written Board approval. All leases must be for an initial term of not less than six (6) months. No Residential Unit may be advertised for lease or rented though a swap, a vacation rental service or as a short-term rental on any short-term rental websites, such as Airbnb, HomeAway, VRBO, Flipkey or other similar services, as determined in the sole and absolute discretion of the Board, provided that the foregoing prohibition will not apply to any rental done through a rental agent qualified in advance by the Board (a list of which will be maintained by the Board and shall not include Airbnb, HomeAway, VRBO, FlipKey, and other similar online rental service companies). No Residential Unit may be advertised for lease or rented for transient or hotel purposes. All leases shall be in writing, and the Board may require leases of Residential Units to be in a form approved by the Board prior to the effective date of the lease. The Board may maintain and, upon request, provide a form that is deemed acceptable. There shall be no subleasing of Residential Units or assignment of Residential Unit leases without prior written Board approval. Within ten (10) days after executing a lease agreement for the lease of a Residential Unit, the Owner shall provide the Board with a copy of the lease in the case of Residential Units and the name of each adult lessee, their cellular phone number and primary email address and make, model and license plate number of any vehicles that will be parked on the premises along with the names of all non-adults occupying the Unit. The Owner must provide the lessee copies of this Declaration, the Bylaws, and the Rules, and the provisions of the same shall be deemed expressly incorporated into any lease.

11.2.3. Liability for Assessments, Use of Common Elements and Compliance with Documents. Each Owner covenants and agrees that any lease of a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant, and the lessee, by occupancy of the Unit, agrees to the applicability of this covenant and incorporation of the following language into the lease:

(i) Compliance with Documents. The lessee shall comply with all provisions of the Documents and shall control the conduct of all other Occupants and guests of the leased Unit in order to ensure such compliance. The Owner shall cause all Occupants of his or her Unit to comply with the Documents, and shall be responsible for all violations by such Occupants, notwithstanding the fact that such Occupants of the Unit are fully liable and may be sanctioned for any such violation. If the lessee, or a Person occupying a Unit with the lessee, violates the Documents or a Rule for which a fine is imposed, notice of the violation shall be given to the Owner and the lessee, and such fine may be assessed against the lessee in accordance with this Declaration. If the fine is not paid by the lessee within the time period set by the Board, the Owner shall pay the fine upon notice from the Association of the lessee's failure to pay the fine. Unpaid fines shall constitute a lien against the Unit.

(ii) Any violation of the Documents by the lessee, any Occupant, or any guest of lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Applicable Law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Documents, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. If the Association proceeds to evict the lessee, any costs, including reasonable attorney's fees actually incurred and court costs associated with the eviction shall be an Assessment and lien against the Unit.

(iii) Use of Common Elements. The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Elements, including but not limited to, the use of any and all recreational facilities and other amenities; provided, however, that no lessee may reserve any portion of the Common Elements as provided in *Section 10.4* without the written consent of the Owner.

(iv) Liability for Assessment. When a Unit Owner who is leasing his or her Unit fails to pay any Assessment or any other charge against the Unit for a period of more than thirty (30) days after it is due and payable, then the delinquent Owner hereby consents to the assignment of any rent received from the lessee during the period of delinquency to the Association, and, upon request by the Board, lessee shall pay to the Association all unpaid Assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by lessee. However, lessee need not make such payments to the Association in excess of or prior to the due dates for, monthly rental payments unpaid at the time of the Board's request. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments

to lessor. If lessee fails to comply with the Board's request to pay Assessments or other charges, lessee shall pay to the Association all amounts authorized under this Declaration as if lessee were an Owner. The above provision shall not be construed to release the Owner from any obligation, including the obligation for Assessments, for which he or she would otherwise be responsible.

11.3. **Eviction of Tenants**. Every lease agreement on a Unit, whether written or oral, express or implied, is subject to and is deemed to include the provisions included in this *Section 11.3*.

11.3.1. Violation Constitutes Default. Failure by the tenant or the tenant's guests to comply with the Documents or Applicable Law is deemed to be a default under the lease. When the Association notifies an Owner of such violation, the Owner will promptly obtain compliance or exercise its rights as a landlord for tenant's breach of lease. If the tenant's violation continues or is repeated, and if the Owner is unable, unwilling, or unavailable to obtain his tenant's compliance, then the Association has the power and right to pursue the remedies of a landlord under the lease or Applicable Law for the default, including eviction of the tenant, subject to the terms of this Section.

11.3.2. Association as Attorney-in-Fact. Notwithstanding the absence of an express provision in the lease agreement for enforcement of the Documents by the Association, each Owner appoints the Association as the Owner's attorney-in-fact, with full authority to act in the Owner's place in all respects, for the purpose of enforcing the Documents against the Owner's tenants, including but not limited to the authority to institute forcible detainer proceedings, provided the Association gives the Owner at least ten (10) days' notice, by certified mail, of its intent to so enforce the Documents.

11.3.3. Association Not Liable for Damages. The Owner of a leased Unit is liable to the Association for any expenses incurred by the Association in connection with enforcement of the Documents against the Owner's tenant. The Association is not liable to the Owner for any damages, including lost rents, suffered by the Owner in relation to the Association's enforcement of the Documents against the Owner's tenant.

11.4. **Exemption**. Notwithstanding the above, this Article shall not apply to any leasing transaction entered into by Declarant (regardless of whether said lease is entered into prior to or after the expiration of the Development Period), the Association, or the holder of any first Mortgage on a Unit who becomes the Owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage. Such parties shall be permitted to lease a Residential Unit without first obtaining a permit in accordance with this Article, and such Residential Units shall not be considered as being leased in determining the maximum number of Residential Units that may be leased in accordance with this Article.

11.5. **Unit Marketing Restrictions**. Unless otherwise approved in writing and in advance by Declarant, which approval may be withheld in the sole discretion of Declarant, an

Owner may in no event offer the Residential Unit for sale, including but, not limited to, listing the Residential Unit or advertising the Residential Unit for sale in any real estate listing service and/or publication, on any online electronic medium and on any newspaper, radio, television or any other medium for advertising, or otherwise market or attempt to market the Residential Unit for sale in any way prior to such time as Owner has acquired fee title to the Unit.

ARTICLE 12
ASSOCIATION OPERATIONS

12.1. **Board**. Unless the 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. Unless the context indicates otherwise, references in the Documents to the "Association" means the Association acting through a Majority of its Board.

12.2. **The Association**.

12.2.1. Generally. The duties and powers of the Association are those set forth in the Documents, together with the general and implied powers of a condominium association and a nonprofit corporation organized under Applicable Law. 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, subject only to the limitations on the exercise of such powers set forth in the Documents. The Association comes into existence on issuance of its corporate charter. The Association will continue to exist at least as long as this Declaration is effective against the Property, regardless of whether its corporate charter lapses from time to time.

12.2.2. Further Rights. In addition to and not in limitation of all other rights it may have, the Association, acting through the Board, shall have the right and authority:

(i) to enter into Units for maintenance, emergency, security, or safety purposes, which right may be exercised by the Association's Board, officers, agents, employees, managers, and all police officers, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall be only during reasonable hours and after reasonable notice to the Owner or Occupant of the Unit. For the purposes of this subsection, an emergency justifying immediate entry into a Unit shall include, but not be limited to the following situations: a water or other utility leak, fire, strong foul odor, obvious insect infestation or sounds indicating that a Person or animal might be injured or sick and require immediate medical attention. No one exercising the rights granted in this subsection shall be liable for trespass, damages, or in any other manner by virtue of exercising such rights. The failure to exercise the rights herein or to exercise said rights in a timely manner shall not create liability to any of the above-referenced parties, it being agreed that no duty to enter a Unit shall exist;

(ii) to make and to enforce the Rules;

(iii) to enforce the Documents by the imposition of reasonable monetary fines and suspension of use and voting privileges as permitted pursuant to the Act;

(iv) to grant and accept permits, licenses, utility easements, leases, and other easements;

(v) to acquire, hold, and dispose of tangible and intangible personal property and real property;

(vi) to collect security deposits in reasonable amounts, as determined by the Board in its sole discretion, to protect against any damage to the Regime, including, without limitation, damage resulting from: moving in or out of a Unit; the transportation and use of construction materials in the Regime; and the alteration, modification, or addition to a Unit and any Limited Common Element appurtenant thereto. Costs for repair of such damage may be deductible from the security deposit and any additional expenses may be assessed against the Unit as an Individual Assessment;

(vii) to approve contractors or subcontractors who have access to the Regime for the purpose of making repairs or Improvements to Units based on Rules promulgated and adopted by the Board. The Board may also impose insurance requirements and collect other non-refundable deposits for use of elevators and the trash receptacles;

(viii) at the sole expense of the Association, without need for a membership vote, and without the consent of any affected Unit Owner, to relocate any portion of the air conditioning, heating, plumbing, ventilating, exhaust or electrical system serving a particular Unit, provided that after such relocation, the system serving the Unit functions at least as well and at no greater cost to the Unit Owner as existed prior to the relocation;

(ix) to close permanently or temporarily any portion of the Common Elements (excluding the Limited Common Elements and any General Common Elements the use of which is reasonably necessary for access to or from a Unit), with thirty (30) days prior notice to all Owners, except that, in emergency situations requiring a temporary closing, prior notice shall not be required so long as notice is given within three (3) days after the closing explaining the reason for the closing. Notwithstanding the above, the Owners may re-open closed Common Elements by a Majority vote of the total Association vote, cast at a duly called special or annual meeting;

(x) to enter into joint agreements and contracts with any Owner, other associations or any third party for the provision of services, including, without

limitation, management, maintenance, valet, porter, concierge, property monitoring services, and trash removal services; and

(xi) to control, manage, operate, maintain, improve and replace the Common Elements.

12.3. **Name**. A name is not the defining feature of the Association. The Association may operate under any name that is approved by the Board and (i) filed with the Montgomery County Clerk as an assumed name, or (ii) filed with the Secretary of State of Texas as the name of the filing entity. The Association may also change its name by amending the Documents, except in the event the corporate charter has been revoked and the name "Lakefront South Condominiums," is no longer available. In such event, the Board will cause a notice to be Recorded stating the current name of the Association. Another legal entity with the same name as the Association, or with a name based on the name of the Property, is not the Association, which derives its authority from this Declaration.

12.4. **Duration**. The Association comes into existence on the date on which the Certificate is filed with the Secretary of State of Texas. The Association will continue to exist at least as long as this Declaration, as it may be amended, is effective against all or part of the Property.

12.5. **Governance**. During the Declarant Control Period, Declarant will have the exclusive authority to appoint and remove all directors and officers of the Association. Within one hundred twenty (120) days after fifty percent (50%) of the maximum number of Units that may be created under this Declaration have been conveyed to Owners other than Declarant, at least one-third (1/3) of the Board must be elected by Owners other than Declarant. On and after expiration of the Declarant Control Period, the Board will consist of three (3) members, with (i) one (1) director to be appointed by the Owner(s) of the Commercial Unit(s) only (the Owner(s) of the Commercial Unit(s)) being the only Member(s) entitled to appoint such director) and (ii) two (2) directors to be elected by a vote of the Owners of the Residential Units only (the Owners of the Residential Units being the only Members entitled to vote with respect to the election of such directors).

12.6. **Merger**. Merger or consolidation of the Association with another association must be evidenced by an amendment to this Declaration. The amendment must be approved by Owners representing at least eighty percent (80%) of the votes in the Association and Declarant during the Development Period. On merger or consolidation of the Association with another association, the property, rights, and obligations of another association may, by operation of law, be added to the properties, rights, and obligations of the Association as a surviving corporation pursuant to the merger. The surviving or consolidated association may administer the provisions of the Documents within the Property, together with the covenants and restrictions established on any other property under its jurisdiction. No merger or consolidation, however, will effect a revocation, change, or addition to the covenants established by this Declaration within the Property.

12.7. **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 meetings 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.

12.8. **Manager**. The Board may delegate the performance of certain functions to one or more managers or managing agents of the Association as allowed pursuant to Applicable Law. Notwithstanding any delegation of its functions, the Board is ultimately responsible to the Members for governance of the Association.

12.9. **Books and Records**. The Association will maintain copies of the 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 the TNCL.

12.10. **Use of Technology**. In recognition of the opportunities offered through computers and continuing advancements in technology, the Association may, as a Common Expense, provide or offer services which make use of computers or other technological services. For example, to the extent permitted by Applicable Law, the Association may send required notices by electronic means; hold Board or Association meetings and permit attendance and voting by electronic means; send and collect Assessments and other invoices over the computer; sponsor a community cable or satellite television channel; create and maintain a community intranet or Internet home page offering interactive participation opportunities for users; maintain an "online" newsletter or bulletin board; and provide funding for any of the above purposes.

12.11. **Indemnification**. The Association indemnifies every officer, director, and committee member (for purposes of this Section, "**Leaders**") against expenses, including attorney's fees, reasonably incurred by or imposed on the Leader in connection with any threatened or pending action, suit, or proceeding to which the Leader is a party or respondent by reason of being or having been a Leader. A Leader is not liable for a mistake of judgment. A Leader is liable for such Leader's willful misfeasance, malfeasance, misconduct, or bad faith. This right to indemnification does not exclude any other rights to which present or former Leaders may be entitled. As a Common Expense, the Association may maintain general liability and directors' and officers' liability insurance to fund this obligation.

12.12. **Obligations of Owners**. Without limiting the obligations of Owners under the Documents, each Owner has the following obligations:

12.12.1. 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,

phone number, and driver's license number, if any; (iii) any Mortgagee's name, address, and loan number; (iv) the name and phone number of any Occupant other than the Owner; and (v) the name, address, and phone number of Owner's managing agent, if any.

12.12.2. Pay Assessments and Charges. Each Owner will pay Assessments properly levied by the Association against the Owner or such Owner's Unit and will pay such Assessments and charges without demand.

12.12.3. Compliance with Documents. Each Owner will comply with the Documents as amended from time to time.

12.12.4. Reimburse for Damages. Each Owner will pay for damage to the Property caused by the negligence or willful misconduct of the Owner, an Occupant of the Owner's Unit, or the Owner or Occupant's family, guests, employees, contractors, agents, or invitees.

12.12.5. Liability for Violations. Each Owner is liable to the Association for violations of the Documents by the Owner, an Occupant of the Owner's Unit, or the Owner or Occupant'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.

12.13. **Unit Resales**. This Section applies to every sale or conveyance of a Unit or an interest in a Unit by an Owner other than Declarant:

12.13.1. Resale Certificate. An Owner intending to sell such Owner's Unit will notify the Association and will request a condominium resale certificate from the Association.

12.13.2. 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.

12.13.3. Other Transfer-Related Fees. A number of independent fees may be charged in relation to the transfer of title to a Unit, including but not limited to, fees for resale certificates, estoppel certificates, copies of Documents, compliance inspections, ownership record changes, and priority processing, provided the fees are customary in amount, kind and number for the local marketplace. Transfer-related fees are not refundable and may not be regarded as a prepayment of or credit against Regular or Special Assessments. Transfer-related fees may be charged by the Association or by the Association's managing agent, provided there is no duplication of fees. Transfer-related fees charged by or paid to a managing agent must have the prior written approval of the Association, are not subject to the Association's Assessment lien, and are not payable by the Association. This Section does not obligate the Board or the manager to levy transfer-related fees.

12.13.4. Exclusions. The requirements of this Section 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 a trust controlled by the 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.

ARTICLE 13
ENFORCING THE DOCUMENTS

13.1. **Notice and Hearing**. Before levying a fine for violation of the Documents (other than nonpayment of Assessments), or before levying an Individual Assessment for property damage, the Association will give the Owner written notice of the levy 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 Occupant. Pending the hearing, the Association may continue to exercise its other 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. The Owner may attend the hearing in person, or may be represented by another Person or by a written communication. The Board may adopt additional or alternative procedures and requirements for notices and hearings, provided they are consistent with the requirements of Applicable Law.

13.2. **Remedies**. The remedies provided in this Article for breach of the Documents are cumulative and not exclusive. In addition to other rights and remedies provided by the Documents and by Applicable Law, the Association has the following rights to enforce the Documents:

13.2.1. Nuisance. The result of every act or omission that violates any provision of the Documents is a nuisance, and any remedy allowed by Applicable Law against a nuisance, either public or private, is applicable against the violation.

13.2.2. Fine. The Association may levy reasonable charges, as an Individual Assessment, against an Owner and the Owner's Unit if the Owner or Occupant, or the Owner or Occupant's family, guests, employees, agents, or contractors violate a provision of the Documents. Fines may be levied for each act of violation or for each day

a violation continues, and does not constitute a waiver or discharge of the Owner's obligations under the Documents.

13.2.3. Suspension. The Association may suspend the right of Owners and Occupants to use Common Elements (provided that the rights of ingress and egress are not impaired) for any period during which the Owner or Occupant, or the Owner or Occupant's family, guests, employees, agents, or contractors violate the Documents. A suspension does not constitute a waiver or discharge of the Owner's obligations under the Documents.

13.2.4. Self-Help. The Association has the right to enter a Common Element or Unit to abate or remove, using force as may reasonably be necessary, any erection, thing, animal, Person, vehicle, or condition that violates the Documents. In exercising this right, the Board is not trespassing and is not liable for damages related to the abatement. 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. Notwithstanding the foregoing, the Association may not alter or demolish an item of construction on a Unit without judicial proceedings.

13.2.5. Suit. Failure to comply with the Documents will be grounds for an action to recover damages or for injunctive relief to cause any such violation to be remedied, or both. Prior to commencing any legal proceeding, the Association will give the defaulting party reasonable notice and an opportunity to cure the violation.

13.3. **Board Discretion**. The Board may use its sole discretion in determining whether to pursue a violation of the Documents, provided the Board does not act in an arbitrary or capricious manner. In evaluating a particular violation, the Board may determine that under the particular circumstances: (i) the Association's position is not sufficiently strong to justify taking any or further action; (ii) the provision being enforced is or may be construed as inconsistent with Applicable Law; (iii) although a technical violation may exist, it is not of such a material nature as to be objectionable to a reasonable Person or to justify expending the Association's resources; or (iv) that enforcement is not in the Association's best interests, based on hardship, expense, or other reasonable criteria.

13.4. **No Waiver**. The Association and every Owner has the right to enforce all restrictions, conditions, covenants, liens, and charges now or hereafter imposed by the Documents. Failure by the Association or by any Owner to enforce a provision of the Documents is not a waiver of the right to do so thereafter.

13.5. **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 the Documents, or in any legal proceeding (whether or not suit is brought) for damages or for the enforcement of the Documents or the restraint of violations of the Documents,

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.

13.6. SECURITY. THE ASSOCIATION MAY, BUT IS NOT OBLIGATED TO, MAINTAIN OR SUPPORT CERTAIN ACTIVITIES ON THE PROPERTY DESIGNED, EITHER DIRECTLY OR INDIRECTLY, TO IMPROVE SAFETY IN OR ON THE PROPERTY. EACH OWNER AND OCCUPANT 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 ON THE PROPERTY. EACH OWNER AND OCCUPANT ACKNOWLEDGES AND ACCEPTS AS SUCH OWNERS SOLE RESPONSIBILITY TO PROVIDE SECURITY FOR SUCH OWNERS OWN PERSON AND PROPERTY, AND ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO SAME. EACH OWNER AND OCCUPANT 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 OCCUPANT 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 OR INSTALLED, OR ANY SECURITY MEASURES UNDERTAKEN ON THE PROPERTY. EACH OWNER AND OCCUPANT FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, THE BOARD, THE MANAGING AGENT, DECLARANT AND ANY SUCCESSOR, DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM OR OTHER SECURITY SYSTEM DESIGNED OR INSTALLED ACCORDING TO THE GUIDELINES ESTABLISHED BY DECLARANT OR THE ASSOCIATION MAY NOT BE COMPROMISED OR CIRCUMVENTED, THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP, TERRORISM OR OTHERWISE, NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM WAS DESIGNED OR INTENDED. EACH OWNER AND OCCUPANT ACKNOWLEDGES AND AGREES THAT DECLARANT, THE ASSOCIATION, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES MAY NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF ANY FAILURE TO PROVIDE ADEQUATE SECURITY OR THE INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN.

13.7. INJURY TO PERSON OR PROPERTY. NEITHER THE ASSOCIATION NOR DECLARANT, OR THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES HAVE A DUTY OR OBLIGATION TO ANY OWNER, OCCUPANT OR THEIR GUESTS: (i) TO SUPERVISE MINOR CHILDREN OR ANY OTHER PERSON; (ii) TO FENCE OR OTHERWISE ENCLOSE ANY LIMITED COMMON ELEMENT,

GENERAL COMMON ELEMENT, OR OTHER IMPROVEMENT; OR (iii) TO PROVIDE SECURITY OR PROTECTION TO ANY OWNER, OCCUPANT, 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 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 THE ASSOCIATION AND DECLARANT'S AGENTS 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, HIS TENANT, HIS 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.

ARTICLE 14
INSURANCE

14.1. **Generally**. The Association shall maintain all property and general liability insurance required in accordance with this *Article 14* and the Act.

14.2. **Responsibility For Insurance**.

14.2.1. Commercial General Liability and Property Insurance. Commencing upon the first conveyance of any Unit to an Owner other than Declarant, the Association shall obtain and maintain all insurance coverage required by Section 82.111 of the Act. The property insurance shall be required to provide coverage to repair or reconstruct the Units and Common Elements according to the as-built plans and specifications for each Unit conveyed by Declarant. Such coverage shall include the Common Elements and all of the Units and the fixtures initially installed therein by Declarant and replacements thereof up to the value of those initially installed by Declarant. The insurance must be in an amount sufficient to cover one hundred percent (100%) of the replacement cost of any repair or reconstruction in the event of damage or destruction from any insured hazard. The Association may, but is not obligated, to insure any improvements or betterments (including wall coverings and fixtures) made by or on behalf of any Owner. Unless otherwise insured by the Association each Owner shall be obligated to obtain and maintain fire and extended coverage on any Improvements or betterments (including wall coverings and fixtures) made by or on behalf of the Owner other than those made by Declarant, and also any furnishings and other personal property of such Owner within his or her Unit in an amount sufficient to cover one hundred percent (100%) of the replacement cost of such items. Further, each Owner will obtain and maintain personal liability insurance, including medical payments insurance, in an amount no less than $300,000.00 for any single occurrence, and excess liability coverage in an amount no less than $1,000,000.00 on their Unit and on Limited Common Elements

assigned thereto. Each Owner will provide the Association with proof or a certificate of insurance on request by the Association from time to time. If an Owner fails to maintain required insurance, or to provide the Association with proof of same, the Board may obtain insurance on behalf of the Owner who will be obligated for the cost as an Individual Assessment. The Board may establish additional minimum insurance requirements, including types and minimum amounts of coverage, to be individually obtained and maintained by Owners if the insurance is deemed necessary or desirable by the Board to reduce potential risks to the Association or other Owners. Each Owner and Occupant is solely responsible for insuring his personal property, including furnishings, vehicles, and stored items.

14.2.2. Allocation of Property Insurance Premiums. The allocation of property insurance premiums are set forth on Exhibit "D". The allocation of property insurance premiums assigned to the Commercial Unit(s) is based on the ratio of the estimated construction cost of the shell Commercial Unit(s) to the total estimated construction cost of all Units originally constructed by Declarant. The remaining portion of the insurance premiums will be allocated to the Residential Units in accordance with the Residential LCE Allocation. The costs of the insurance premiums attributable to Residential Units and the Residential LCE will be allocated to each Residential Unit as part of the Residential Unit Assessments. The costs of the insurance premiums attributable to the Commercial Unit(s) and any Commercial LCE will be allocated to the Commercial Unit(s) as part of the Commercial Unit Assessments.

14.2.3. Other Insurance by Owners. Notwithstanding any provision in this Declaration to the contrary, the Board may establish minimum insurance requirements, including types and minimum amounts of coverage, to be individually obtained and maintained by Owners if the insurance is deemed necessary or desirable by the Board to reduce potential risks to the Association or other Owners. If an Owner fails to maintain required insurance, the Board may obtain it on behalf of the Owner who will be obligated for the cost as an Individual Assessment.

14.2.4. Owners' Responsibilities. On request, an Owner will give the Board written notification of any and all structural changes, additions, betterments, or Improvements to his Unit, and any other information the Board may require to maintain adequate levels of insurance coverage. Each Owner will comply with reasonable requests by the Board for periodic inspection of the Unit for purposes of insurance appraisal. Each Owner, at his expense, will maintain any insurance coverages required by the Association pursuant to this Article. Each Owner at his expense, may obtain additional insurance coverage of his real property, Improvements, and betterments thereto, or personal property.

14.2.5. Association Does Not Insure. The Association does not insure an Owner or Occupant's personal property. Each Owner and Occupant is solely responsible for insuring his personal property in his Unit and on the Property, including furnishings,

vehicles, and stored items. Each Owner or Occupant is required to purchase and maintain insurance on the personal property in the Owner's Unit, and shall provide the Board evidence of such insurance coverage upon request of the Board.

14.2.6. Additional Insurance. Notwithstanding the foregoing, at any point in the future, the Board may elect to obtain a property insurance policy that covers improvements or betterments (including wall coverings and fixtures) made by Persons other than those made by Declarant. In the event that the Board obtains a property insurance policy that covers improvements or betterments made by Persons other than those made by Declarant, the Board shall notify the Owners. Each Owner is advised to periodically consult with the Association to determine the amount of property insurance that the Association has obtained in order to determine the additional amount of insurance needed by each Owner.

The Association will, upon the written request of an Owner or Owners, attempt to obtain, within a reasonable time period after the request, such supplemental insurance coverage pertaining to the Property or a Unit as the Owner of such Unit may request, in addition to that insurance coverage already obtained and maintained by the Association for the benefit of the Units. The incremental premium increase, if any, for such supplemental insurance coverage will be specifically assessed to the Unit or Units that requested the supplemental insurance coverage as an Individual Assessment.

14.3. **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.

14.4. **Fidelity Coverage**. The Association shall maintain blanket fidelity coverage for any Person who handles or is responsible for funds held or administered by the Association, whether or not the Person is paid for his services. The policy should be for an amount that exceeds the greater of: (i) the estimated maximum funds, including reserve funds, that will be in the Association's custody at any time the policy is in force; or (ii) an amount equal to three (3) months of Regular Assessments on all Units. A management agent that handles Association funds should be covered for its own fidelity insurance policy with the same coverages.

14.5. **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.

14.6. **Mortgagee Required Policies.** Unless coverage is not available or has been waived in writing, the Association will maintain any insurance and bond required by an Underwriting Lender for condominium developments as long as an Underwriting Lender is a Mortgagee or an Owner.

14.7. **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 or as may be required by the Act.

14.8. **Characteristics of Insurance Maintained by the Association**. All insurance coverage maintained or obtained by the Association pursuant to this *Article 14* shall:

(i) be issued by responsible insurance companies licensed to do business in the State of Texas and shall be rated by Best's Insurance Guide (or any successor publication of comparable standing) as "A-,VI" or better;

(ii) contain standard mortgagee clauses, if applicable;

(iii) waive any right to claim by way of subrogation against Declarant, the Board, any manager, the Owners and their respective agents and employees;

(iv) provide that insurance trust agreements shall be recognized;

(v) waive any right to claim invalidity arising from the acts of the insured; and

(vi) state that such policy is primary insurance if at the time of a loss under the policy any Owner has other insurance covering the same property covered by the policy.

14.9. **Insurance Trustee**. Notwithstanding anything in this Declaration to the contrary, if physical damage to the Regime occurs, the proceeds of the policy maintained by the Association pursuant this Declaration shall be paid to the Association, acting as the insurance trustee for the Regime, and the insurance trustee shall perform all of the duties and obligations otherwise imposed on the Board (except any decision not to repair or reconstruct the improvements). The fees of the insurance trustee shall be a Common Expense.

14.10. **Other Insurance Requirements**.

(i) Neither the Association, Declarant nor any Owner shall be liable for failure to obtain any insurance coverage required by this Declaration or for any loss or damage resulting from such failure, if such failure is because such insurance coverage is not reasonably available.

(ii) Neither the Association nor any Owner shall obtain any policy of insurance where: (i) under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against the Owner or Mortgagee or become a lien against the Regime; (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent the Association, Owners or Mortgagees from collecting the insurance proceeds.

(iii) The insurance purchased by the Association and the other Owners pursuant to this *Article 14* shall not cover claims against any other Owner or its designees due to accidents occurring within that other Unit, or casualty, theft or loss to the contents of that other Unit.

(iv) Each Owner and their Occupants waive any claim they might have against the other Owners, Occupants, the members of the Board, any manager or the Association, and the members of the Board, any manager, and the Association waive any claim they might have against an Owner and their Occupants, for: (i) any damage to or theft, destruction, loss or loss of use of any property; or (ii) any damage due to personal or bodily injury, to the extent the same is insured against under any insurance policy of the types described in this Declaration that covers the Regime, such Owner's, Occupant's, or the Association's fixtures, personal property, improvements, or business, or is required to be insured against under the terms of this Declaration, REGARDLESS OF WHETHER THE NEGLIGENCE OF THE OTHER OWNER, ITS TENANTS, OR THEIR RESPECTIVE OCCUPANTS, ANY MEMBER OF THE BOARD, ANY MANAGER OR THE ASSOCIATION (AS APPLICABLE) CAUSED SUCH: (1) DAMAGE TO OR THEFT, DESTRUCTION, LOSS OR LOSS OF USE OF, ANY PROPERTY OR INCONVENIENCE; OR (2) DAMAGE TO THE PERSON OR PERSONS DESCRIBED IN THIS SECTION. Each Owner shall cause its respective insurance carrier to endorse all applicable policies waiving each such carrier's rights of recovery under subrogation or otherwise against the other Owners and their Occupants, the members of the Board, any manager and the Association and the members of the Board, any manager, and the Association shall cause their respective insurance carrier to endorse all applicable policies waiving the carrier's rights of recovery under subrogation or otherwise against the Owners and their Occupants.

ARTICLE 15
RECONSTRUCTION OR REPAIR AFTER LOSS

15.1. **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. The following provisions apply: (i) to the extent the Act is silent; and (ii) if, and only if, the Association receives any "Restoration Funds" (as defined below).

15.2. **Restoration Funds**. For purposes of this Article, "**Restoration Funds**" include insurance proceeds, condemnation awards, Deficiency Assessments, Individual Assessments, and other funds received on account of or arising out of injury or damage to the Units or Common Elements. All funds paid to the Association for purposes of repair or restoration will be deposited in a financial institution in which accounts are insured by a federal agency. Withdrawal of Restoration Funds requires the signatures of at least two Board members or an agent duly authorized by the Board.

15.2.1. Sufficient Proceeds. If Restoration Funds obtained from insurance proceeds or condemnation awards are sufficient to repair or restore the damaged or destroyed Units and/or Common Elements, then the Association, as trustee for the Owners, will promptly apply the funds to the repair or restoration.

15.2.2. Insufficient Proceeds. If Restoration Funds are not sufficient to pay the estimated or actual costs of restoration as determined by the Board, then the Board may levy a Deficiency Assessment against the Owners to fund the difference.

15.2.3. Surplus Funds. If the Association has a surplus of Restoration Funds after payment of all costs of repair and restoration, then the surplus will be applied as follows: (i) if Deficiency Assessments were a source of Restoration Funds, the surplus will be paid to Owners in proportion to their contributions resulting from the Deficiency Assessment levied against them; provided that no Owner may receive a sum greater than that actually contributed by said Owner, and further provided that any Delinquent Assessments owed by the Owner to the Association will first be deducted from the surplus; and (ii) any surplus remaining after the disbursement described in (i) above will be common funds of the Association to be used as directed by the Board in the Board's sole and absolute discretion.

15.3. **Costs and Plans**.

15.3.1. Cost Estimates. Promptly after the loss, the Board will obtain reliable and detailed estimates of the cost of restoring the damaged property. 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.

15.3.2. Plans and Specifications. Common Elements will be repaired and restored substantially as they existed immediately prior to the damage or destruction. Units will be repaired and restored substantially in accordance with original construction plans and specifications, unless the Association insures betterments and Improvements made by Owners, in which case the Units will be repaired and restored substantially as they existed immediately prior to the damage or destruction. Alternate plans and specifications for repair and restoration of either Common Elements or Units must be approved by at least eighty percent (80%) of the votes in the Association and by certain Mortgagees if so required by the Mortgagee Protection article of this Declaration.

15.4. **Owner's Duty to Repair**.

15.4.1. Uninsured Loss. Within sixty (60) days after the date of damage, the Owner will begin repair or reconstruction of any portion of such Owner's Unit not covered by the Association's blanket insurance policy or any applicable insurance obtained by the Association, subject to the right of the Association to supervise, approve, or disapprove repair or restoration during the course thereof.

15.4.2. Insured Loss. If the loss to a Unit is covered by the Association's insurance policy, then the Owner will begin repair or restoration of damage on receipt of the insurance proceeds or any portion thereof from the Association, subject to the rights of the Association to supervise, approve, or disapprove the repair or restoration during the course thereof.

15.4.3. Failure to Repair. If an Owner fails to repair or restore damage as required by this Section, then the Association may cause the necessary repairs and levy an Individual Assessment against the Owner and Unit for the cost thereof, after giving an Owner of the Unit reasonable notice of the Association's intent to do so.

15.5. **Owner's Liability for Insurance Deductible**. If repair or restoration of Common Elements or Units 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 16
TERMINATION AND CONDEMNATION

16.1. **Association as Trustee**. Each Owner hereby irrevocably appoints the Association, acting through the Board, as trustee to deal with the Regime 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.

16.2. **Termination**. Termination of the terms of this Declaration and the condominium status of the Property will be governed by Section 82.068 of the Act and *Section 17.4* below.

16.3. **Condemnation**. The Association's response to condemnation of any part of the Property will be governed by Section 82.007 of the Act. On behalf of Owners, but without their consent, the Board may execute and Record 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 and Record 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 17
MORTGAGEE PROTECTION

17.1. **Introduction**. This Article is supplemental to, not a substitution for, any other provision of the Documents. In case of conflict, this Article controls.

17.2. **Notice of Mortgagee**. As provided in this *Article 17*, the Association is required to provide each Mortgagee with written notice upon the occurrence of certain actions as described in *Section 17.8*, or to obtain the approval of Mortgagees in the event of certain amendments to this Declaration as described in *Section 17.9* or the termination of this Declaration as described in *Section 17.4*. To enable the Association to provide the notices and obtain such approval, each Owner must provide to the Association the complete name and address of such Owner's Mortgagee, including the loan number and such additional information concerning the Owner's Mortgagee as the Association may reasonably require. In the event an Owner fails to provide the Association with the information required by this *Section 17.2* after the expiration of thirty (30) days after the Association's written request, the Owner's failure to provide such information will be considered a violation of the terms and provisions of this Declaration. The Association's obligation to Mortgagees under the Documents extends only to those Mortgagees known to the Association. The Association may rely on the information provided by Owners and Mortgagees.

17.3. **Amendment**. This Article establishes certain standards for the benefit of Underwriting Lenders, and is written to comply with their requirements and guidelines in effect at the time of drafting. If an Underwriting Lender subsequently changes its requirements, then the Board, without approval of Owners or Mortgagees, may amend this Article and other provisions of the Documents, as necessary, to meet the requirements of the Underwriting Lender.

17.4. **Termination**. Termination of the terms of this Declaration and the condominium status of the Regime will be governed by Section 82.068 of the Act. Any election to terminate this Declaration and the condominium status of the Regime shall require the consent of: (i) Owners representing at least eighty percent (80%) of the total votes in the Association; (ii) Declarant during the Development Period; (iii) the Owner of the Commercial Unit(s); and (iv) fifty-one percent (51%) of Mortgagees.

17.5. **Implied Approval**. The approval of a Mortgagee is implied when the Mortgagee fails to respond within sixty (60) days after receiving the Association's written request for approval of a proposed amendment, provided the Association's request was delivered by certified or registered mail, return receipt requested.

17.6. **Other Mortgagee Rights**.

17.6.1. Inspection of Books. The Association will maintain current copies of the Documents and the Association's books, records, and financial statements. Mortgagees may inspect the Documents and Association records, by appointment, during normal business hours.

17.6.2. Financial Statements. A Mortgagee may have an audited statement prepared at its own expense.

17.6.3. Attendance at Meetings. A representative of a Mortgagee may attend and address any meeting which an Owner may attend.

17.6.4. Right of First Refusal. This Declaration does not establish a right of first refusal in favor of any party.

17.7. **Insurance Policies**. If an Underwriting Lender that holds a mortgage on a Unit or desires to finance a Unit has requirements for insurance of condominiums, then the Association must try to obtain and maintain the required coverages, to the extent reasonably available, and must try to comply with any notifications or processes required by the Underwriting Lender.

17.8. **Notice of Actions**. The Association will send timely written notice to Mortgagees of the following actions:

(i) Any condemnation or casualty loss that affects a material portion of the Property or the mortgaged Unit.

(ii) Any sixty (60)-day delinquency in the payment of Assessments or charges owed by the Owner of the mortgaged Unit.

(iii) A lapse, cancellation, or material modification of any insurance policy maintained by the Association.

(iv) Any proposed action that requires the consent of a specified percentage of Mortgagees.

17.9. **Amendments of a Material Adverse Nature Affecting Mortgagees**. A Document amendment with a material adverse nature to Mortgagees must be approved by Owners representing at least sixty-seven percent (67%) of the votes in the Association, and by at least fifty-one percent (51%) of Mortgagees. **THIS APPROVAL REQUIREMENT DOES NOT APPLY TO AMENDMENTS EFFECTED BY THE EXERCISE OF A DEVELOPMENT RIGHT RESERVED IN THIS DECLARATION OR AS PROVIDED IN APPENDIX "A" ATTACHED HERETO**.

ARTICLE 18
AMENDMENTS

18.1. **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. Except as otherwise provided in this Declaration, amendments to this Declaration must be approved by Owners representing at least sixty-seven percent (67%) of the votes in the Association. 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 Declarant; (ii) rights, privileges, easements, protections, or defenses of Declarant; or (iii) rights of the Owners or the Association in relationship to Declarant, without the written consent of Declarant attached to and Recorded with such

amendment. In addition, no amendment to this Declaration shall modify, alter, abridge or delete any: (a) permissible use of a Unit absent the consent of the Owner(s) of the Unit affected by the change in permissible use; or (b) any license, easement or other contractual rights contained in this Declaration, including, without limitation, any easement, right and license benefiting or in favor of Declarant.

18.2. **Method of Amendment**. This Declaration may be amended by any method selected by the Board from time to time and as permitted by Applicable Law, provided the method gives the Owner of each Unit the substance if not exact wording of the proposed amendment, a description in layman's terms of the effect of the proposed amendment, and an opportunity to vote for or against the proposed amendment. For amendments requiring the consent of Mortgagees, the Association will send each Mortgagee a detailed description, if not the exact wording, of any proposed amendment.

18.3. **Effective**. To be effective, an amendment must be in the form of a written instrument: (i) referencing the name of the Regime, the name of the Association, and the Recording data of this Declaration and any amendments hereto; (ii) signed and acknowledged by a representative of the Association, certifying the requisite approval of Owners and, if required, Mortgagees; provided, however, this subsection (ii) will not apply for amendments which may be unilaterally prosecuted by Declarant pursuant to any rights reserved by Declarant under this Declaration or Appendix "A"; and (iii) Recorded.

18.4. **Declarant Provisions**. Declarant has an exclusive right to unilaterally amend this Declaration for the purposes stated in Appendix "A". An amendment that may be executed by Declarant alone is not required to name the Association or to be signed by an officer of the Association. No amendment may affect Declarant's rights under this Declaration or the Act without Declarant's written and acknowledged consent, which must be part of the Recorded amendment instrument. This *Article 18* may not be amended without Declarant's written and acknowledged consent.

18.5. **Consent Required by Owner(s) of Commercial Unit(s)**. Notwithstanding any provision to the contrary contained in this Declaration, no amendment affecting the use or operation of the Commercial Unit(s) shall be effective unless approved in writing by the Owner of the Commercial Unit(s). Additionally, the written consent of the Owner of the Commercial Unit(s) shall be required prior to the adoption or modification of any Rules by the Association if such Rules specifically affect the use or operation of the Commercial Unit(s).

18.6. **Broad Amendment Authority**. Subject to any express limitation or amendments set forth in this Declaration, the broad scope of amendment authority set forth in this *Article 18* is expressly intended to allow for the addition, removal, or modification of terms, restrictions, conditions, covenants, rights, benefits, reservations, and obligations, including without limitation, use and occupancy restrictions, leasing restrictions, set-backs, voting rights, lien rights, design criteria, maintenance obligations, and disclosures. EACH OWNER OF A UNIT OR OTHER REAL PROPERTY INTEREST IN THE PROPERTY (INCLUDING EACH SUBSEQUENT

PURCHASER), BY THE ACCEPTANCE OF A DEED OF CONVEYANCE, ACCEPTS THE SAME SUBJECT TO THE AMENDMENT AUTHORITY SET FORTH IN THIS *ARTICLE 18*, AND ACKNOWLEDGES, AGREES, AND IS PUT ON NOTICE THAT: (I) AN AMENDMENT TO THIS DECLARATION DULY APPROVED AND RECORDED IN ACCORDANCE HEREWITH SHALL BE VALID AND BINDING ON THE OWNER AND THE OWNER'S LOT; AND (II) THE BROAD SCOPE OF AMENDMENT AUTHORITY MAY RESULT IN AN AMENDMENT TO THIS DECLARATION THAT: (A) ADDS, REMOVES, OR MODIFIES ANY TERM, RESTRICTION, CONDITION, COVENANT, RIGHT, BENEFIT, RESERVATION, OR OBLIGATION OF EVERY CHARACTER HEREBY GRANTED, CREATED, RESERVED OR DECLARED, INCLUDING WITHOUT LIMITATION, USE AND OCCUPANCY RESTRICTIONS, LEASING RESTRICTIONS, SET-BACKS, VOTING RIGHTS, LIEN RIGHTS, DESIGN CRITERIA, MAINTENANCE OBLIGATIONS, DISPUTE RESOLUTION PROCEDURES, AND DISCLOSURES; AND/OR (B) MAY RESULT IN CHANGES OR MODIFICATIONS TO USE AND OCCUPANCY RESTRICTIONS, LEASING RESTRICTIONS, SET-BACKS, VOTING RIGHTS, LIEN RIGHTS, DESIGN CRITERIA, MAINTENANCE OBLIGATIONS, OR DISPUTE RESOLUTION PROCEDURES THAT ARE EITHER MORE OR LESS RESTRICTIVE THAN THE RIGHTS, RESTRICTIONS, AND OBLIGATIONS APPLICABLE TO THE UNIT ON THE DATE THE OWNER ACQUIRED THE UNIT. THE FOREGOING LIST IS INTENDED TO BE ILLUSTRATIVE BUT IN NO WAY IMPOSE LIMITATIONS ON THE BROAD SCOPE OF AMENDMENT AUTHORITY SET FORTH IN THIS *ARTICLE 18*.

ARTICLE 19
DISPUTE RESOLUTION

This Article 19 is intended to encourage the resolution of disputes involving the Property. A dispute regarding the Units, Common Elements, and/or Improvements can create significant financial exposure for the Association and its Members, interfere with the resale and refinancing of Units, prevent or jeopardize approval of the Units by Underwriting Lenders, and increase strife and tension among the Owners, the Board and the Association's management. Since disputes may have a direct effect on each Owner's use and enjoyment of their Unit and the Common Elements, this Article 19 requires Owner transparency and participation in certain circumstances. Transparency means that the Owners are informed in advance about a dispute, the proposed arrangement between the Association and a law firm or attorney who will represent the Association in the dispute, the proposed arrangement between the Association and any inspection company who will prepare the Inspection Report (as defined below) or perform any other investigation or inspection of the Common Elements, Units and/or Improvements related to the dispute, and that each Owner will have an opportunity to participate in the decision-making process prior to initiating the dispute resolution process.

For the avoidance of doubt, nothing in this Article 19 is intended to limit the Association's right or obligation to obtain inspection services related to the maintenance, repair and physical condition of the Regime pursuant to Section 8.3 of this Declaration provided that such inspection services are not commissioned by the Association in conjunction with a Construction Claim.

19.1. **Introduction and Definitions**. The Association, the Owners, Declarant, all Persons subject to this Declaration, and each person not otherwise subject to this Declaration who submits to this *Article 19* by written instrument delivered to the Claimant, which may include, but is not limited to, a general contractor, sub-contractor, design professional, or other person who participated in the design or construction of Common Elements, Units or any Improvement within, serving, or forming a part of the Regime (individually a "**Party**" and collectively, the "**Parties**"), agree to encourage the resolution of disputes involving the Property and to avoid the emotional and financial costs of litigation and arbitration if at all possible. **Accordingly, each Party hereby covenants and agrees that this *Article 19* applies to all Claims as hereafter defined.** This *Article 19* may only be amended with the prior written approval of the Declarant, the Association (acting through a Majority of the Board), and Owners holding one hundred percent (100%) of the votes in the Association. As used in this *Article 19* only, the following words, when capitalized, have the following specified meanings:

(i) "**Claim**" means:

(A) Claims relating to the rights and/or duties of Declarant or the Association under the Documents or the Act;

(B) Claims relating to the acts or omissions of the Declarant or the Board during its control and administration of the Association and/or Regime, any claim asserted against the Architectural Reviewer, and any claims asserted against the Declarant, the Board or a Person serving as a Board member or officer of the Association, or the Architectural Reviewer;

(C) Claims relating to the design or construction of the Units, Common Elements or any Improvement located within, serving, or forming a part of the Regime; and

(D) Claims relating to any repair or alteration of the Units, Common Elements, or any Improvement located within, serving, or forming a part of the Regime.

(ii) "**Claimant**" means any Party having a Claim against any other Party.

(iii) "**Common Element Construction Claim**" means a Claim relating to: (i) the design or construction of the Common Elements or any Improvement located thereon; or (ii) any repair or alteration of the Common Elements, or any Improvement located thereon.

(iv) "**Construction Claim**" means a Claim defined in *Section 19.1(i)(C)* or *Section 19.1(i)(D)*.

(v) "**Respondent**" means any Party against which a Claim has been asserted by a Claimant.

(vi) "**Unit Construction Claim**" means a Claim relating to: (i) the design or construction of a Unit (whether one or more) or any Improvement located thereon; or (ii) any repair or alteration of a Unit (whether one or more), or any Improvement located thereon.

19.2. **Mandatory Procedures: All Claims**. Claimant may not initiate any proceeding before any judge, jury, arbitrator or any other judicial or administrative tribunal seeking redress of resolution of its Claim until Claimant has complied with the mandatory procedures of this *Article 19*. As provided in *Section 19.9* below, a Claim must be resolved by binding arbitration.

19.3. **Mandatory Procedures: Construction Claims**. Failure of a Claimant to comply with the procedures of this *Article 19* for a Construction Claim may result in significant expenses incurred by the Respondent to respond to a Construction Claim that would not have been otherwise incurred had the Claimant followed the procedures and dispute resolution process set forth herein, including attorney fees, court costs and other administrative expenses (the "**Response Costs**"). Notwithstanding any provision contained herein to the contrary, failure by a Claimant to comply with any of the procedural or dispute resolution requirements for a Construction Claim set forth in this *Article 19* shall constitute a material breach of this Declaration, entitling the Respondent to recover, from the Claimant, all actual and reasonable Response Costs incurred by Respondent. Moreover, strict compliance with the procedural and dispute resolution requirements of this *Article 19* shall be a condition precedent to any recovery for a Construction Claim.

19.4. **Construction Claim by the Association**. No Unit Owner shall have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings for a Common Element Construction Claim. Each Unit Owner, by accepting an interest in or title to a Unit, hereby grants to the Association the exclusive right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings for a Common Element Construction Claim. In the event the Association asserts a Construction Claim, as a precondition to providing the Notice defined in *Section 19.6*, initiating the mandatory dispute resolution procedures set forth in this *Article 19*, or taking any other action to prosecute a Construction Claim, the Association must:

19.4.1. Obtain Owner Approval of Law Firm, Attorney and Inspection Company.

The requirements related to Owner approval set forth in this Section 19.4.1 are intended to ensure that the Association and the Owners approve and are fully informed of the financial arrangements between the Association and a law firm and/or attorney engaged by the Association to prosecute a Construction Claim, and any financial arrangements between the Association and the Inspection Company (defined below) or a law firm and/or attorney and the Inspection Company. The agreement between the Association, the law firm or attorney, and/or the Inspection Company may include requirements that the Association pay costs, fees, and expenses to the law firm, attorney, or the Inspection Company which will be paid through Assessments levied against

Owners. The financial agreement between the Association, the law firm or attorney, and/or the Inspection Company may also include obligations related to payment, and the conditions and circumstances when the payment obligations arise, if the relationship between the Association, the law firm or attorney, and/or the Inspection Company is terminated, the Association elects not to engage the law firm or attorney or Inspection Company to prosecute or assist with the Construction Claim, or if the Association agrees to settle the Construction Claim. In addition, the financial arrangement between the Association, the law firm or attorney, and/or the Inspection Company may include additional costs, expenses, and interest charges. These financial obligations can be significant. The Board may not engage or execute an agreement with a law firm or attorney to investigate or prosecute a Construction Claim, or engage or execute an agreement between the Association and a law firm or attorney for the purpose of preparing an Inspection Report or performing any other investigation or inspection of the Common Elements, Units or other Improvements related to a Construction Claim unless the law firm or attorney and the financial arrangements between the Association and the law firm or attorney are approved by the Owners in accordance with this Section 19.4.1. In addition, the Board may not execute an agreement with an Inspection Company to prepare the Inspection Report or perform any other investigation or inspection of the Common Elements, Units or other Improvements related to a Construction Claim, unless the Inspection Company and the financial arrangements between the Association and the Inspection Company are approved by the Owners in accordance with this Section 19.4.1. For the purpose of the Owner approval required by this Section 19.4.1, an engagement, agreement or arrangement between a law firm or attorney and an Inspection Company, if such engagement, agreement or arrangement could result in any financial obligations to the Association, irrespective of whether the Association and law firm or attorney have entered into an engagement or other agreement to prosecute a Construction Claim, must also be approved by the Owners in accordance with this Section 19.4.1. An engagement or agreement described in this paragraph is referred to herein as a "Claim Agreement".

Unless otherwise approved by Members holding sixty-seven percent (67%) of the votes in the Association, the Association, acting through its Board, shall in no event have the authority to enter into a Claim Agreement if the Claim Agreement includes any provision or requirement that would obligate the Association to pay any costs, expenses, fees, or other charges to the law firm or attorney and/or the Inspection Company, including but not limited to, costs, expenses, fees, or other charges payable by the Association: (i) if the Association terminates the Claim Agreement or engages another firm or third-party to assist with the Construction Claim; (ii) if the Association elects not to enter into a Claim Agreement; (iii) if the Association agrees to settle the Construction Claim for a cash payment or in exchange for repairs or remediation performed by the Respondent or any other third-party; (iv) if the Association agrees to pay interest on any costs or expenses incurred by the law firm or attorney or the Inspection Company; and/or (v) for consultants, expert witnesses, and/or general contractors hired by the law firm or attorney or the Inspection Company. For avoidance of doubt, it is intended that Members

holding sixty-seven percent (67%) of the votes in the Association must approve the law firm and attorney who will prosecute a Construction Claim and the Inspection Company who will prepare the Inspection Report or perform any other investigation or inspection of the Common Elements, Units or other Improvements related to a Construction Claim, and each Claim Agreement. All Claim Agreements must be in writing. The Board shall not have the authority to pay any costs, expenses, fees, or other charges to a law firm, attorney or the Inspection Company unless the Claim Agreement is in writing and approved by the Owners in accordance with this *Section 19.4.1*.

The approval of the Members required under this *Section 19.4.1* must be obtained at a meeting of Members called in accordance with the Bylaws. The notice of Member meeting will be provided pursuant to the Bylaws but the notice must also include: (a) the name of the law firm and attorney and/or the Inspection Company; (b) a copy of each Claim Agreement; (c) a narrative summary of the types of costs, expenses, fees, or other charges that may be required to be paid by the Association under any Claim Agreement; (d) the conditions upon which such types of costs, expenses, fees, or other charges are required to be paid by the Association under any Claim Agreement; (e) an estimate of the costs, expenses, fees, or other charges that may be required to be paid by the Association if the conditions for payment under the Claim Agreement occur, which estimate shall be expressed as a range for each type of cost, expense, fee, or other charge; and (f) a description of the process the law firm, attorney and/or the Inspection Company will use to evaluate the Construction Claim and whether destructive testing will be required (i.e., the removal of all or portions of the Building, Systems, Common Elements, Units, or Improvements). If destructive testing will be required or is likely to occur, the notice shall include a description of the destructive testing, likely locations of the destructive testing, whether the Owner's use of their Units or the Common Elements will be affected by such testing, and if the destructive testing occurs the means or method the Association will use to repair the Building, Systems, Common Elements, Units, or Improvements affected by such testing, the estimated costs thereof, and an estimate of Assessments that may be levied against the Owners for such repairs. The notice required by this paragraph must be prepared and signed by a person other than the law firm or attorney who is a party to the proposed Claim Agreement being approved by the Members. In the event Members holding sixty-seven percent (67%) of the votes in the Association approve the law firm and/or attorney who will prosecute the Construction Claim, and the Inspection Company who will prepare the Inspection Report or perform any other investigation or inspection of the Common Elements, Units or other Improvements related to a Construction Claim, and the Claim Agreement(s), the Board shall have the authority to engage the law firm and/or attorney, and the Inspection Company, and enter into the Claim Agreement approved by the Members.

19.4.2. Provide Notice of the Investigation or Inspection.

As provided in *Section 19.4.3* below, an Inspection Report is required which is a written inspection report issued by the Inspection Company. Before conducting an investigation or inspection that is required to be memorialized by the Inspection Report,

the Association must have provided at least ten (10) days prior written notice of the date on which the investigation or inspection will occur to each Respondent which notice shall identify the Inspection Company preparing the Inspection Report, the specific Units, Common Elements or Improvements to be investigated or inspected, and the date and time the investigation or inspection will occur. Each Respondent may attend the investigation or inspection, personally or through an agent.

19.4.3. Obtain an Inspection Report.

The requirements related to the Inspection Report set forth in this Section 19.4.3 are intended to provide assurance to the Claimant, Respondent, and the Owners that the substance and conclusions of the Inspection Report and recommendations are not affected by influences that may compromise the professional judgement of the party preparing the Inspection Report, and to avoid circumstances which would create the appearance that the professional judgment of the party preparing the Inspection Report is compromised.

Obtain a written independent third-party report for the Units, Common Elements or Improvements (the "**Inspection Report**") from a professional engineer licensed by the Texas Board of Professional Engineers with an office located in Montgomery County, Texas (the "**Inspection Company**"). The Inspection Report must include: (i) a description with photographs of the Units, Common Elements or Improvements subject to the Construction Claim; (ii) a description of the present physical condition of the Units, Common Elements or Improvements subject to the Construction Claim; (iii) a detailed description of any modifications, maintenance, or repairs to the Units, Common Elements or Improvements performed by the Association or a third-party, including any Respondent; and (iv) specific and detailed recommendations regarding remediation and/or repair of the Units, Common Elements or Improvements subject to the Construction Claim. For the purpose of subsection (iv) of the previous sentence, the specific and detailed recommendations must also include the specific process, procedure, materials, and/or improvements necessary and required to remediate and/or repair the deficient or defective condition identified in the Inspection Report and the estimated costs necessary to effect such remediation and/or repairs. The estimate of costs required by the previous sentence shall be obtained from third-party contractors with an office located in Montgomery County, Texas, and each such contractor providing the estimate must hold all necessary or required licenses from the Texas Department of Licensing and Regulation or otherwise required by Applicable Law for the work to which the cost estimate relates.

The Inspection Report must be obtained by the Association. The Inspection Report will not satisfy the requirements of this Section and is not an "independent" report if: (a) the Inspection Company has an arrangement or other agreement to provide consulting and/or engineering services with the law firm or attorney that presently represents the Association or proposes to represent the Association; (b) the costs and expenses for preparation of the Inspection Report are not required to be paid directly by the Association to the Inspection Company at the time the Inspection Report is finalized and

delivered to the Association; or (c) the law firm or attorney that presently represents the Association or proposes to represent the Association has agreed to reimburse (whether unconditional or conditional and based on the satisfaction of requirements set forth in the Association's agreement with the law firm or attorney) the Association for the costs and expenses for preparation of the Inspection Report. For avoidance of doubt, an "independent" report means that the Association has independently contracted with the Inspection Company on an arms-length basis based on customary terms for the preparation of engineering reports and that the Association will directly pay for the report at the time the Inspection Report is finalized and delivered to the Association.

19.4.4. Provide a Copy of the Inspection Report to all Respondents and Owners. Upon completion of the Inspection Report, and in any event no later than three (3) days after the Association has been provided a copy of the Inspection Report, the Association will provide a full and complete copy of the Inspection Report to each Respondent and to each Owner. The Association shall maintain a written record of each Respondent and Owner who was provided a copy of the Inspection Report which will include the date the report was provided. The Inspection Report shall be delivered to each Respondent by hand-delivery and to each Owner by mail.

19.4.5. Provide a Right to Cure Defects and/or Deficiencies Noted on Inspection Report. Commencing on the date the Inspection Report has been completed and continuing for a period of ninety (90) days thereafter, each Respondent shall have the right to: (i) inspect any condition identified in the Inspection Report; (ii) contact the Inspection Company for additional information necessary and required to clarify any information in the Inspection Report; and (iii) correct any condition identified in the Inspection Report. As provided in *Section 3.10* above, the Declarant has an easement throughout the Property for itself, and its successors, assigns, architects, engineers, other design professionals, builders, and general contractors that may be utilized during such ninety (90)-day period and any additional period needed thereafter to correct a condition identified in the Inspection Report.

19.4.6. Hold Owner Meeting and Obtain Approval. In addition to obtaining approval from Members for the terms of any Claim Agreement, the Association must obtain approval from Members holding sixty-seven percent (67%) of the votes in the Association to provide the Notice described in *Section 19.6*, initiate the mandatory dispute resolution procedures set forth in this *Article 19*, or take any other action to prosecute a Construction Claim, which approval from Members must be obtained at a meeting of Members called in accordance with the Bylaws. The notice of meeting required hereunder will be provided pursuant to the Bylaws but the notice must also include: (i) the nature of the Construction Claim, the relief sought, the anticipated duration of prosecuting the Construction Claim, and the likelihood of success; (ii) a copy of the Inspection Report; (iii) a copy of any Claim Agreement between the Association and the law firm and/or attorney selected by the Association to assert or provide assistance with the Construction Claim;

(iv) a description of the attorney fees, consultant fees, expert witness fees, and court costs, whether incurred by the Association directly or for which the Association may be liable as a result of prosecuting the Construction Claim; (v) a summary of the steps previously taken by the Association to resolve the Construction Claim; (vi) a statement that initiating the lawsuit or arbitration proceeding to resolve the Construction Claim may affect the market value, marketability, or refinancing of a Unit while the Construction Claim is prosecuted; and (vii) a description of the manner in which the Association proposes to fund the cost of prosecuting the Construction Claim. The notice required by this paragraph must be prepared and signed by a person who is not (a) the attorney who represents or will represent the Association in the Construction Claim; (b) a member of the law firm of the attorney who represents or will represent the Association in the Construction Claim; or (c) employed by or otherwise affiliated with the law firm of the attorney who represents or will represent the Association in the Construction Claim. In the event Members approve providing the Notice described in *Section 19.6*, or taking any other action to prosecute a Construction Claim, the Members holding a Majority of the votes in the Association, at a meeting called in accordance with the Bylaws, may elect to discontinue prosecution or pursuit of the Construction Claim.

19.5. **Unit Construction Claim by Owners**. Class action proceedings are prohibited, and no Unit Owner shall be entitled to prosecute, participate, initiate, or join any litigation, arbitration or other proceedings as a class member or class representative in any such proceedings under this Declaration. In the event an Owner asserts a Unit Construction Claim, as a precondition to providing the Notice defined in *Section 19.6*, initiating the mandatory dispute resolution procedures set forth in this *Article 19*, or taking any other action to prosecute a Unit Construction Claim, the Owner must:

19.5.1. Provide Notice of the Investigation or Inspection.

As provided in *Section 19.5.2* below, a Unit Report is required which is a written inspection report issued by the Inspection Company. Before conducting an investigation or inspection that is required to be memorialized by the Unit Report, the Owner must have provided at least ten (10) days prior written notice of the date on which the investigation or inspection will occur to each Respondent which notice shall identify the Inspection Company preparing the Unit Report, the Unit and areas of the Unit to be investigated or inspected, and the date and time the investigation or inspection will occur. Each Respondent may attend the investigation or inspection, personally or through an agent.

19.5.2. Obtain a Unit Report.

The requirements related to the Unit Report set forth in this Section 19.5.2 are intended to provide assurance to the Claimant and Respondent that the substance and conclusions of the Unit Report and recommendations are not affected by influences that may compromise the professional judgement of the party preparing the Unit Report, and

to avoid circumstances which would create the appearance that the professional judgment of the party preparing the Unit Report is compromised.

Obtain a written independent third-party report for the Unit (the "**Unit Report**") from an Inspection Company. The Unit Report must include: (i) a description with photographs of the Unit and portions of the Unit subject to the Unit Construction Claim; (ii) a description of the present physical condition of the Unit; (iii) a detailed description of any modifications, maintenance, or repairs to the Unit performed by the Owner or a third-party, including any Respondent; (iv) specific and detailed recommendations regarding remediation and/or repair of the Unit. For the purpose of subsection (iv) of the previous sentence, the specific and detailed recommendations must also include the specific process, procedure, materials, and/or improvements necessary and required to remediate and/or repair the deficient or defective condition identified in the Unit Report and the estimated costs necessary to effect such remediation and/or repairs. The estimate of costs required by the previous sentence shall be obtained from third-party contractors with an office located in Montgomery County, Texas, and each such contractor providing the estimate must hold all necessary or required licenses from the Texas Department of Licensing and Regulation or otherwise required by Applicable Law for the work to which the cost estimate relates.

The Unit Report must be obtained by the Owner. The Unit Report will not satisfy the requirements of this Section and is not an "independent" report if: (a) the Inspection Company has an arrangement or other agreement to provide consulting and/or engineering services with the law firm or attorney that presently represents the Owner or proposes to represent the Owner; (b) the costs and expenses for preparation of the Unit Report are not directly paid by the Owner to the Inspection Company no later than the date the Unit Report is finalized and delivered to the Owner; or (c) the law firm or attorney that presently represents the Owner or proposes to represent the Owner has agreed to reimburse (whether unconditional or conditional and based on the satisfaction of requirements set forth in the Owner's agreement with the law firm or attorney) the Owner for the costs and expenses for preparation of the Unit Report. For avoidance of doubt, an "independent" report means that the Owner has independently contracted with the Inspection Company on an arms-length basis based on customary terms for the preparation of engineering reports and that the Owner will directly pay for the report no later than the date the Unit Report is finalized and delivered to the Owner.

19.5.3. Provide a Copy of Unit Report to all Respondents. Upon completion of the Unit Report, and in any event no later than three (3) days after the Owner has been provided a copy of the Unit Report, the Owner will provide a full and complete copy of the Unit Report to each Respondent. The Owner shall maintain a written record of each Respondent who was provided a copy of the Unit Report which will include the date the report was provided. The Unit Report shall be delivered to each Respondent by hand-delivery and to each Owner by mail.

19.5.4. Right to Cure Defects and/or Deficiencies Noted on Unit Report. Commencing on the date the Unit Report has been completed and continuing for a period of ninety (90) days thereafter, each Respondent shall have the right to: (i) inspect any condition identified in the Unit Report; (ii) contact the Inspection Company for additional information necessary and required to clarify any information in the Unit Report; and (iii) correct any condition identified in the Unit Report. As provided in *Section 3.10* above, the Declarant has an easement throughout the Property for itself, and its successors, assigns, architects, engineers, other design professionals, builders, and general contractors that may be utilized during such ninety (90)-day period and any additional period needed thereafter to correct a condition identified in the Unit Report.

19.5.5. Common Element Construction Claim. Pursuant to *Section 19.4* above, a Unit Owner does not have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings for a Common Element Construction Claim. In the event that a court of competent jurisdiction or arbitrator determines that a Unit Owner does have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings for a Common Element Construction Claim, such Unit Owner shall be required, since a Common Element Construction Claim could affect all Owners, as a precondition to providing the Notice defined in *Section 19.6*, initiating the mandatory dispute resolution procedures set forth in this *Article 19*, or taking any other action to prosecute a Common Element Construction Claim, to comply with the requirements imposed by the Association in accordance with *Section 19.4.2* (Provide Notice of Inspection), *Section 19.4.3* (Obtain an Inspection Report), *Section 19.4.4* (Provide a Copy of Inspection Report to all Respondents and Owners), *Section 19.4.5* (Provide Right to Cure Defects and/or Deficiencies Noted on Inspection Report), *Section 19.4.6* (Owner Meeting and Approval), and *Section 19.6* (Notice).

19.6. **Notice**. Claimant must notify Respondent in writing of the Claim (the "**Notice**"), stating plainly and concisely: (i) the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim; (ii) the basis of the Claim (*i.e.*, the provision of the Documents or other authority out of which the Claim arises); (iii) what Claimant wants Respondent to do or not do to resolve the Claim; and (iv) that the Notice is given pursuant to this *Section 19.6*. For Construction Claims governed by Chapter 27 of the Texas Property Code, the time period for negotiation in *Section 19.7* below, is equivalent to the sixty (60)-day period under Section 27.004 of the Texas Property Code. If a Construction Claim is subject to Chapter 27 of the Texas Property Code, the Claimant and Respondent are advised, in addition to compliance with *Section 19.7*, to comply with the terms and provisions of Section 27.004 during such sixty (60)-day period. *Section 19.7* does not modify or extend the time period set forth in Section 27.004 of the Texas Property Code. Failure to comply with the time periods or actions specified in Section 27.004 could affect a Construction Claim. The one hundred twenty (120)-day period for mediation set forth in *Section 19.8* below, is intended to provide the Claimant and Respondent with sufficient time to resolve the Claim in the event resolution is not accomplished during

negotiation. If the Claim is not resolved during negotiation, mediation pursuant to *Section 19.8* is required without regard to the monetary amount of the Claim.

If the Claimant is the Association and for a Construction Claim, the Notice will also include: (a) a true and correct copy of the Inspection Report, and any and all other reports, studies, analyses, and recommendations obtained by the Association related to the Common Elements, Units or other Improvements subject to the Construction Claim; (b) a copy of any Claim Agreement; (c) if the Claim is a Construction Claim, reasonable and credible evidence confirming that Members holding sixty-seven percent (67%) of the votes in the Association approved the law firm and attorney and the written agreement between the Association and the law firm and/or attorney in accordance with *Section 19.4.1*; (d) a true and correct copy of the meeting notice provided to Members in accordance with *Section 19.4.6* above; and (e) reasonable and credible evidence confirming that Members holding sixty-seven percent (67%) of the votes in the Association approved providing the Notice. If the Claimant is not the Association and the Claim is a Unit Construction Claim, the Notice will also include a true and correct copy of the Unit Report.

19.7. **Negotiation**. Claimant and Respondent will make every reasonable effort to meet in person to resolve the Claim by good faith negotiation. Within sixty (60) days after Respondent's receipt of the Notice, Respondent and Claimant will meet at a mutually acceptable place and time to discuss the Claim. If the Claim involves all or any portion of the Property, then at such meeting or at some other mutually-agreeable time, Respondent and Respondent's representatives will have full access to the Property that is subject to the Claim for the purposes of inspecting the Property.

19.8. **Mediation**. If the parties negotiate but do not resolve the Claim through negotiation within one hundred twenty (120) days from the date of the Notice (or within such other period as may be agreed on by the parties), Claimant will have thirty (30) additional days within which to submit the Claim to mediation under the auspices of a mediation center or individual mediator on which the parties mutually agree. The mediator must have at least five (5) years of experience serving as a mediator and must have technical knowledge or expertise appropriate to the subject matter of the Claim. If Claimant does not submit the Claim to mediation within the thirty (30)-day period, Respondent will submit the Claim to mediation in accordance with this *Section 19.8*. If the Parties do not settle the Claim within thirty (30) days after submission to mediation, Respondent or Claimant may initiate arbitration proceedings in accordance with *Section 19.9*.

19.9. **Binding Arbitration - Claims**. All Claims must be settled by binding arbitration. Claimant or Respondent may, by summary proceedings (e.g., a plea in abatement or motion to stay further proceedings), bring an action in court to compel arbitration of any Claim not referred to arbitration as required by this *Section 19.9*.

19.9.1. Governing Rules. If a Claim has not been resolved by mediation in accordance with *Section 19.8*, the Claim will be resolved by binding arbitration in

accordance with the terms of this *Section 19.9* and the American Arbitration Association (the "**AAA**") Construction Industry Arbitration Rules and Mediation Procedures and, if applicable, the rules contained in the AAA Supplementary Procedures for Consumer Related Disputes, as each are supplemented or modified by AAA (collectively, the Construction Industry Arbitration Rules and Mediation Procedures and AAA Supplementary Procedures for Consumer Related Disputes are referred to herein as the "**AAA Rules**"). In the event of any inconsistency between the AAA Rules and this *Section 19.9*, this *Section 19.9* will control. Judgment upon the award rendered by the arbitrator shall be binding and not subject to appeal, but may be reduced to judgment in any court having jurisdiction. Notwithstanding any provision to the contrary or any applicable rules for arbitration, any arbitration with respect to Claims arising hereunder shall be conducted by a panel of three (3) arbitrators, to be chosen as follows: (i) one (1) arbitrator shall be selected by the Respondent, in its sole and absolute discretion; (ii) one (1) arbitrator shall be selected by the Claimant, in its sole and absolute discretion; and (iii) one (1) arbitrator shall be selected by mutual agreement of the arbitrators having been selected by Respondent and the Claimant, in their sole and absolute discretion.

19.9.2. Exceptions to Arbitration; Preservation of Remedies. No provision of, nor the exercise of any rights under, this *Section 19.9* will limit the right of Claimant or Respondent, and Claimant and Respondent will have the right during any Claim, to seek, use, and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of realizing upon, preserving, or protecting upon any property, real or personal, that is involved in a Claim, including, without limitation, rights and remedies relating to: (i) exercising self-help remedies (including set-off rights); or (ii) obtaining provisions or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment, or the appointment of a receiver from a court having jurisdiction before, during, or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies shall not constitute a waiver of the right of any party, to submit the Claim to arbitration nor render inapplicable the compulsory arbitration provisions hereof.

19.9.3. Statute of Limitations. All statutes of limitations that would otherwise be applicable shall apply to any arbitration proceeding under this *Section 19.9*.

19.9.4. Scope of Award; Modification or Vacation of Award. The arbitrator shall resolve all Claims in accordance with the Applicable Law. The arbitrator may grant any remedy or relief that the arbitrator deems just and equitable and within the scope of this *Section 19.9* and subject to *Section 19.10*; **provided, however, attorney's fees and costs may not be awarded by the arbitrator to either Claimant or Respondent**. In addition, for a Construction Claim, or any portion of a Construction Claim governed by Chapter 27 of the Texas Property Code, or any successor statute, in no event shall the arbitrator award damages which exceed the damages a Claimant would be entitled to under Chapter 27 of the Texas Property Code, **except that the arbitrator may not award attorney's fees and/or**

costs to either Claimant or Respondent. In all arbitration proceedings, the arbitrator shall make specific, written findings of fact and conclusions of law. In all arbitration proceedings the parties shall have the right to seek vacation or modification of any award that is based in whole, or in part, on: (i) factual findings that have no legally or factually sufficient evidence, as those terms are defined in Texas law; (ii) conclusions of law that are erroneous; (iii) an error of Applicable Law; or (iv) a cause of action or remedy not expressly provided under Applicable Law. **In no event may an arbitrator award speculative, special, exemplary, treble or punitive damages for any Claim.**

19.9.5. Other Matters. To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within one hundred eighty (180) days of the filing of the Claim for arbitration. Arbitration proceedings hereunder shall be conducted in Montgomery County, Texas. Unless otherwise provided by this *Section 19.9*, the arbitrator shall be empowered to impose sanctions and to take such other actions as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure and Applicable Law. Claimant and Respondent agree to keep all Claims and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by Applicable Law. In no event shall Claimant or Respondent discuss with the news media or grant any interviews with the news media regarding a Claim or issue any press release regarding any Claim without the written consent of the other parties to the Claim.

19.10. **Allocation of Costs**. Notwithstanding any provision in this Declaration to the contrary, each Party bears all of its own costs incurred prior to and during the proceedings described in the Notice, Negotiation, Mediation, and Arbitration sections above, including its attorney's fees. Respondent and Claimant will equally divide all expenses and fees charged by the mediator and arbitrator.

19.11. **WAIVER OF RIGHTS UNDER CERTAIN STATUTORY PROVISIONS. Each Party expressly waives any right to recovery of attorney's fees and costs under: (i) Texas Civil Practice & Remedies Code § 38.001, *et. seq.*; (ii) Texas Civil Practice & Remedies Code § 37.001, *et. seq.*; (ii) Texas Civil Practice & Remedies Code § 10.001, *et. seq.*; (iii) Texas Civil Practice & Remedies Code § 9.001, *et. seq.*; (iv) Texas Civil Practice & Remedies Code § 27.01, *et. seq.*; (v) Texas Civil Practice & Remedies Code § 17.41, *et. seq.*; (vi) Texas Property Code § 27.001, *et. seq.*; (vii) Texas Property Code § 82.001, *et. seq.*; (viii) Texas Property Code § 209.001, *et. seq.*; (ix) Texas Property Code § 53.001, *et. seq.*; (x) Texas Property Code § 5.006, *et. seq.*; (xi) Texas Finance Code § 392.001, *et. seq.*; and (xii) 15 USC 1562, *et. seq.***

19.12. **General Provisions**. A release or discharge of Respondent from liability to Claimant on account of the Claim does not release Respondent from liability to persons who are not party to Claimant's Claim.

19.13. **Period of Limitation**.

19.13.1. For Actions by an Owner or Occupant of a Unit. The exclusive period of limitation for any of the Parties to bring any Claim shall be the earliest of: (i) for a Construction Claim, two (2) years and one (1) day from the date that the Owner or Occupant discovered or reasonably should have discovered evidence of the Construction Claim; (ii) for Claims other than Construction Claims, four (4) years and one (1) day from the date that the Owner or Occupant discovered or reasonably should have discovered evidence of the Claim; or (iii) the applicable statute of limitations for such Claim. In the event that a court of competent jurisdiction determines that a Unit Owner does have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings for a Common Element Construction Claim, the exclusive period of limitation for such Common Element Construction Claim, shall be the earliest of: (a) two (2) years and one (1) day from the date that the Owner or the Association discovered or reasonably should have discovered evidence of the Common Element Construction Claim; or (b) the applicable statute of limitations for the Common Element Construction Claim. In no event shall this *Section 19.13.1* be interpreted to extend any period of limitations.

19.13.2. For Actions by the Association. The exclusive period of limitation for the Association to bring any Claim shall be the earliest of: (i) for a Construction Claim, two (2) years and one (1) day from the date that the Association or its manager, Board members, officers, or agents discovered or reasonably should have discovered evidence of the Construction Claim; (ii) for Claims other than a Construction Claim, four (4) years and one (1) day from the date that the Association or its manager, Board members, officers, or agents discovered or reasonably should have discovered evidence of the Claim; or (iii) the applicable statute of limitations for such Claim. In no event shall this *Section 19.13.2* be interpreted to extend any period of limitations.

19.14. **Funding the Resolution of Claims**. The Association must levy a Special Assessment to fund estimated costs to resolve a Construction Claim pursuant to this *Article 19*. The Association may not use its annual operating income or reserve funds to fund the costs to resolve a Construction Claim unless the Association has previously established and funded a dispute resolution fund.

ARTICLE 20
DISCLOSURES

20.1. **Condominium Living**. **Living in a multi-story, mixed-use, high-rise condominium building entails living in very close proximity to** other persons, businesses, restaurants, and shopping areas, with attendant limitations on solitude and privacy. Walls, floors, and ceilings have been designed to comply with Applicable Law. As more particularly set forth herein, Owners should still anticipate hearing noise from adjacent Units within the Building or Regime, however, including, but not limited to, noise from showers, bathtubs, sinks, toilets, washing machines, or other sources of running water and/or plumbing fixtures. Also, Owners may hear noise from vacuum cleaners, stereos or televisions, or from people walking, running,

exercising, socializing, or enjoying the recreational amenities. Owners can expect to hear substantial levels of sound, music, noise, odors, vibrations, and other nuisances from retail and commercial establishments in or near the Regime. Owners may also experience light entering the units from commercial lighting in the vicinity. Certain Units located directly above or below planned amenities may be exposed to greater noise and other nuisances.

20.2. **Contract Services**. In connection with construction of the Building, the Units may have been wired or fitted for one or more services to be provided by vendors to the individual Unit Owners on a contract basis, such as intrusion monitoring and cable television. In exchange for such installations, Declarant may have contracted on behalf of the Owners for a period of service to all Units. In that event, whether or not an Owner chooses to use the service, the Owner is required to pay the Unit's share of the contract for the contract period. The Association may serve as the conduit for the service fees and payments, which may be considered Regular Assessments or Individual Assessments. However, the Association is not the service provider and has no responsibility or liability for the availability or quality of the service, or for the maintenance, repair, or replacement of the wires, conduits, equipment, or other fittings relating to the contract service.

20.3. **Sprinklers**. If the Building is equipped with a sprinkler system the system may include sprinkler heads that intrude into the Units. All such pipes, heads and other parts of the sprinkler system shall be a part of the General Common Elements (whether located within or outside of Unit boundaries) and shall be maintained, repaired and replaced, as necessary, by the Association. Sprinkler heads, caps, and assemblies may not be painted or caulked over or otherwise covered in any manner. If an Owner or Occupant causes the sprinkler system to be activated (except in the case of a fire) or damages or destroys any part of the sprinkler system, the Owner of the Unit shall be responsible for any costs the Association incurs in repairing the system and for all other losses or damages resulting from such actions, including, without limitation, damages to any portion of the Common Elements or other Units.

20.4. **Budgets**. Any budget provided by the Association is based on estimated expenses only without consideration for the effects of inflation and may increase or decrease significantly when the actual expenses become known. Accordingly, if the actual expenses exceed estimated expenses, the Assessments or charges levied to discharge such expenses will be different from the estimated amounts.

20.5. **Adjacent Thoroughfares**. The Property is located adjacent to thoroughfares that may be affected by traffic and noise from time to time and may be improved and/or widened in the future.

20.6. **Natural Light and Views**. The natural light available to and views from a Unit can change over time due to among other things, additional development and the removal or addition of landscaping. **NATURAL LIGHT AND VIEWS ARE NOT PROTECTED.** A Unit is not assured the existence or unobstructed continuation of any particular view, or that any neighboring development will be aesthetically the same standard as the Regime. Any view from

a Unit is not intended as part of the value of the Unit, and is not guaranteed, and Declarant makes no representation or warranty regarding the effect of the view on the value of a Unit. The views from a Unit or Regime may change, be affected, or obstructed by (i) construction or installation of buildings, improvements, structures, walls and/or landscaping by Declarant or owners of property outside the Regime; or (ii) the growth of trees, landscaping and/or vegetation within or outside the Regime. By accepting a Unit, each Owner and Occupant waives, releases and discharges any rights, claims or actions that an Owner or Occupant may have, now or in the future, against Declarant, the Association, and their respective representatives, licensees, successors and assigns, and arising directly or indirectly out of or from any such change or obstruction of views by reason of such further development or growth.

20.7. **Adjacent Property**. No representations are made regarding the zoning of the adjacent property to the Regime, or that the category to which the adjacent property is zoned may not change in the future.

20.8. **Schools**. No representations are being made regarding which schools may now or in the future serve the Unit.

20.9. **Neighborhood Conditions**. Since in every neighborhood there are conditions that different people may find objectionable, it is acknowledged that there may be conditions outside of the Property that an Owner or Occupant may find objectionable, and it shall be the sole responsibility of an Owner or Occupant to become acquainted with neighborhood conditions that could affect the Property.

20.10. **Urban Environment**. The Property is located in an urban environment and contains both residential and commercial uses. Sound and vibrations may be audible and felt from such things as sirens, whistles, horns, the playing of music, people speaking loudly, trash being picked up, deliveries being made, equipment being operated, dogs barking, construction activity, building and grounds maintenance being performed, automobiles, buses, trucks, ambulances, airplanes, trains and other generators of sound and vibrations typically found in an urban area. In addition to sound and vibration, there may be odors (from restaurants, food being prepared and dumpsters) and light (from signs, streetlights, other buildings, car headlights and other similar items) in urban areas and these things are part of the reality and vibrancy of urban living.

20.11. **Sound Transmission**. The Units are not soundproof or free from vibrations. Sounds and vibrations can also be generated from sources located within a particular Unit or the other portions of the Building, including elevator motors, heating and air conditioning equipment, pump rooms, other mechanical equipment, dogs barking and the playing of certain kinds of music. Concrete and hardwood surfaces within a Unit may transmit noise, and such noise shall not be deemed to constitute a use of a Unit that interferes with or causes disruption to the use and quiet enjoyment of another Unit or any portion thereof by its respective Owner and/or Occupant.

20.12. **Depiction of Parking Spaces**. Location, alignment and striping of parking spaces assigned to the Unit may vary from the depiction on the floor plans, which are approximate and may not precisely conform to as-built conditions.

20.13. **Mold/Mildew**. Mold and/or mildew can grow in any portion of the Property that is exposed to elevated levels of moisture.

20.14. **Condensation**. The Units may trap humidity created by general use and occupancy. As a result, condensation may appear on the interior portion of windows and glass surfaces and fogging of windows and glass surfaces may occur due to temperature disparities between the interior and exterior portions of the windows and glass. If left unattended and not properly maintained by Owners and Occupants, the condensation may increase resulting in staining, damage to surrounding seals, caulk, paint, wood work and sheetrock, and potentially, mildew and/or mold.

20.15. **Flat Roof Systems**. Portions of the Building may include flat roof systems. Rain water and refuse may accumulate on various portions of the Building's roof system and should be anticipated by the Owners.

20.16. **Compliance with Plans and Specifications**. The Building was constructed pursuant to plans and specifications prepared by licensed professionals and permits issued by The Woodlands Township and Montgomery County, Texas. During the course of the construction of the Building, variations from the original plans and specifications, some of which add scope, some of which reduce scope, and some of which alter scope, are inevitable and can and do occur as a matter of intention and/or as a matter of necessity. Declarant does not make any representation or warranty as to the actual size, configuration, dimensions (including ceiling heights, as applicable) or net living area of any Unit, and an Owner or Occupant shall be deemed to have fully waived and released any such warranty and claims for losses or damages resulting from any variances between any represented or otherwise disclosed net living area and the actual net living area of units.

20.17. **Noise and Odor**. Noise and odor related to retail service and other businesses may emanate from the retail and commercial spaces located in the Building.

20.18. **Encroachments**. Improvements may have been constructed on adjoining lands that encroach onto the Property. Declarant gives no representations or warranties as to property rights, if any, created by such any such encroachments.

20.19. **Erosion/Flooding**. While the drainage system for surface water runoff on the Property will be constructed in accordance with applicable governmental standards, the Property may still be subject to erosion and/or flooding during unusually intense or prolonged periods of rain.

20.20. **Large Vehicles**. Trucks, sports utility vehicles, vans, minivans, large sedans, or any other vehicles other than compact passenger vehicles may not fit into parking spaces. The

height clearance for vehicles in the parking facilities is limited and certain vehicles may be too large to enter. Declarant makes no representations or warranties that any trucks, sports utility vehicles, vans, minivans, large sedans, or any other vehicles other than compact passenger vehicles will actually fit into any parking spaces, including any parking space(s) to be assigned to the Unit.

20.21. **Elevators**. Elevators serving the Building may malfunction from time to time and become stuck between levels for temporary periods. Neither Declarant nor the Association will be liable for any such malfunctions. Units located in the immediate vicinity of an elevator lobby on each level of the Building may be prone to greater noise and other nuisances associated with the normal operation, maintenance, and repair of elevators. During certain hours of the day, elevator delays may occur as a result of high traffic loads and/or in the event of servicing and/or repairs to one or more of the elevators in the Regime.

20.22. **Photography of the Property**. Declarant retains the right to obtain and use photography of the Property for publication and advertising purposes.

20.23. **Changes to Street Names and Unit Addresses**. Declarant retains the right to change, in its sole discretion, the Property name and the street names and Unit numbering or addresses in or within the Property.

20.24. **Heating and Cooling**. The performance and methods and practices of operating heating and cooling systems can be directly affected by the orientation and location of a room or Unit in relation to the sun.

20.25. **Upgrades**. The cost of upgrades to a Unit may not necessarily result in a commensurate increase in the value of the Unit.

20.26. **System Performance**. No representations are made that the systems in the Unit including, by way of example only, heating and air conditioning and electrical systems will operate or perform at a level or standard greater than the minimum specifications of the manufacturer.

20.27. **Dryers**. Certain Units in the Building may require long vents for the dryer and/or condensing dryers. Each Owner is responsible for determining the appropriate vents and dryer to be used in the Unit. The failure to utilize the appropriate vents and dryer may create a fire hazard for which Owner shall be responsible.

20.28. **Media Equipment**. Declarant makes no representations or warranties regarding any electronic media equipment located in the Common Elements. Such equipment may need repairs or replacement in the future, and Declarant shall not be responsible for such repairs or replacement under any circumstances.

20.29. **Moisture in Parking Facilities**. Water may drip onto any vehicle parked within the parking facilities. The water could include mineral deposits that cause damage to the vehicle.

Damage to a vehicle may be limited if the owner of the vehicle immediately washes off any mineral deposits. Declarant shall not be held liable for any loss or damage resulting from water damage or spotting.

20.30. **Collection of Water**. Water may pond on various portions of the Property having impervious surfaces, such as the parking area and balconies, as applicable.

20.31. **Railings**. Railings attached to balconies may "hum" in windy conditions.

20.32. **Location of Facilities**. Declarant makes no representation as to the location of mailboxes, utility boxes, street lights, fire hydrants or storm drain inlets or basins.

20.33. **Light Emission**. Light may emit from structures located on adjacent properties. THIS DECLARATION DOES NOT MAKE ANY REPRESENTATION OR WARRANTY AS TO THE LEVEL OF GLARE THAT MAY AFFECT PORTIONS OF THE REGIME, AND EACH OWNER HEREBY WAIVES AND EXPRESSLY RELEASES ANY SUCH WARRANTY AND CLAIM FOR LOSS OR DAMAGES RESULTING FROM ANY SUCH GLARE. Additionally, sunlight will penetrate through the windows into the Units and such sunlight could lead to the deterioration or fading of items contained in the Units and an increase in the temperature of the Unit and the Common Elements. THIS DECLARATION DOES NOT MAKE ANY REPRESENTATION OR WARRANTY AS TO THE LEVEL OF SUNLIGHT THAT MAY PENETRATE THE WINDOWS OF THE UNITS, AND EACH OWNER HEREBY WAIVES AND EXPRESSLY RELEASES ANY SUCH WARRANTY AND CLAIM FOR LOSS OR DAMAGES RESULTING FROM ANY SUCH PENETRATION AND SHALL BE SOLELY RESPONSIBLE FOR PROTECTING SUCH OWNER'S UNIT AND THE ITEMS CONTAINED THEREIN FROM SUNLIGHT AND FOR MAINTAINING A PROPER TEMPERATURE IN SUCH OWNER'S UNIT.

20.34. **Window Noise**. The window system contracts and expands as the weather warms and cools and this may result in "popping noises".

20.35. **Wood Variation**. Natural wood has considerable variation due to its organic nature. There may be shades of white, red, black or even green in areas. In addition, mineral streaks may also be visible. Grain pattern or texture will vary from consistent to completely irregular; wood from different areas of the same tree can also have variations in pattern or texture. It is these variations in wood that add to its aesthetic appeal. These variations in grain will in turn accept stain in varying amounts, which will show throughout the wood products from one door to the next, one panel to the next or one piece of wood to the next. Also, cabinet finishes (including gloss and/or matte finishes) will not be entirely consistent and some minor irregularities will be apparent. Additionally, wood and wood products, including, without limitation, engineered wood, may be subject to warping, splitting, swelling and/or delamination and require special maintenance, care, and upkeep. Failure to comply with special maintenance, care and upkeep requirements will result in additional costs to the Owner or Occupant.

20.36. **Concrete**. Minor cracks in poured concrete, including foundations, garage floors, sidewalks, driveways and patios, are inevitable as a result of the natural movement of soil (expansion and contraction), shrinkage during the curing of the concrete, and settling of the Building. Certain Units may have exposed concrete floors. Concrete is not as forgiving as wood or sheetrock. In deciding whether, when, and how to fill cracks in exposed concrete floors, an Owner is hereby made aware that the color and texture of the fill material may not match the rest of the concrete floor. On some exposed concrete floors, fill materials make minor cracks more noticeable than if the cracks had been left in their natural state. In addition, for any specification for "polished" concrete means that the concrete will be polished to a high degree of light reflectivity. Polished does not mean being able to actually see his or her reflection in the floor. Exposed concrete surfaces in portions of the Building are subject to cracking.

20.37. **Variations in Stone and other Materials**. Veins and colors of any marble, slate, synthetic stone, or other materials in the Unit, if any, may vary drastically from one piece of material to another. Each piece is different. Marble, granite, slate, synthetic stone and other materials can also have chips and shattering veins, which look like scratches. The thickness of the joints between marble, granite, slate, synthetic stone and other materials against which they have been laid will vary and there will be irregularities in surface smoothness. Marble, granite, slate, synthetic stone and other material finishes may be dangerously slippery and Declarant assumes no responsibility for injuries sustained as a result of exposure to or use of such materials. Periodic use of professionally approved and applied sealant is needed to ensure proper maintenance of the marble, granite, slate, synthetic stone and other materials and it is the Owner's responsibility to properly maintain these materials. Marble, granite, slate, synthetic stone and other material surfaces may scratch, chip or stain easily. Such substances, as part of their desirable noise attenuating properties, may flex or move slightly in order to absorb impacts. Such movement may in turn cause grout to crack or loosen or cause some cracking in the flooring which may need to be repaired as part of normal home maintenance. Granite is a natural stone, subject to staining and may contain inclusions.

20.38. **Chemicals**. The Building contains products that have water, powders, solids and industrial chemicals, which will be used in construction. The water, powders, solids and industrial chemicals will and do contain mold, mildew, fungus, spores and chemicals that may cause allergic or other bodily reactions in certain individuals. Leaks, wet flooring and moisture will contribute to the growth of molds, mildew, fungus or spores. Declarant is not responsible for any illness or allergic reactions that a Person may experience as a result of mold, mildew, fungus or spores. It is the responsibility of the Owner to keep the Unit clean, dry, well ventilated and free of contamination.

20.39. **Paint**. Due to the large quantity of paint used in the project, Owner should be aware that slight variations in paint shade may exist from Unit to Unit. Due to the properties within today's paints, Owner should expect paint to yellow somewhat with time. This is a normal occurrence and is therefore not covered as a warranty issue. Avoid washing or scrubbing painted

walls. Lightly soiled areas may be cleaned using a sponge with water and lightly wiping over the soiled areas.

20.40. **Plumbing Fixtures**. Certain materials used for fixtures in the Unit (including, but not limited to, brass/chrome plumbing fixtures, brass/chrome bathroom accessories and brass/chrome light fixtures) are subject to discoloration and/or corrosion over time.

20.41. **Advertising Materials**. Any advertising materials, websites, brochures, renderings, drawings, and the like, furnished by Declarant or any Person (including brokers and sales agents) acting on behalf of Declarant to an Owner or prospective Owner which purport to depict the Unit to be constructed or any portion thereof, are merely approximations and do not necessarily reflect the actual as-built conditions of the same. Due to the unique nature of the construction process and site conditions, room dimensions, size and elevations may vary from Unit to Unit.

20.42. **Sales Center/Model Units**. Declarant's use of a sales center and/or model Units or reference to other construction by Declarant is intended only to demonstrate the quality of finish detail, the basic floor plans and styles of the Units available for purchase. The Unit may not conform, except as herein noted, to any model unit in any respect, or contain some or all of the amenities featured, such as furnishings and appliances. Likewise, any model residence is intended only to demonstrate the size and basic architectural features of the project. The project, as completed, may not conform to the model of the project displayed by Declarant. Declarant may have shown an Owner or prospective Owner model homes, finish boards, floorplans, sketches, drawings, renderings, and scale models of Units or the Regime (collectively, "**Promotional Aids**"). Each Owner and prospective Owner understands and agrees that the Promotional Aids are conceptual, subject to change, for display purposes only, and may not be incorporated into the Regime or Unit.

20.43. **Declarant's Participation in Construction**. Declarant will be coordinating construction of the Regime and participating in management of construction activities related to the construction of the Building. Such activities may, from time to time, produce certain conditions on the Regime, including, without limitation: (i) noise or sound that is objectionable because of its volume, duration, frequency or shrillness; (ii) smoke; (iii) noxious, toxic or corrosive fumes or gases; (iv) obnoxious odors; (v) dust, dirt or flying ash; (vi) unusual fire or explosion hazards; (vii) temporary interruption of utilities; and/or (viii) other conditions that may threaten the security or safety of Persons on the Regime. Notwithstanding the foregoing, all Owners and Occupants agree that such conditions on the Regime resulting from construction activities shall not be deemed a nuisance and shall not cause Declarant and its agents to be deemed in violation of any provision of this Declaration.

20.44. **Commercial Spaces**. The commercial spaces located throughout the Building may be permitted to erect signage, advertising posters, political placards, billboards, speakers, lighting, awnings, canopies or shutters on the exterior facades of the Buildings that are associated with the uses of such spaces.

20.45. **Continuing Activities**. Declarant is engaged in a sales and development program. Certain elements of the Regime may not be completed and/or Declarant may defer completion of such items in Declarant's sole and absolute discretion; provided, however, that normal access and parking facilities will be provided for Units. The Regime is an integrated structure consisting of a variety of uses that may be changed from time to time. As such, alterations, construction, remodeling, repair and changes of uses of portions of the Regime may occur from time to time.

20.46. **Tax and Insurance Estimates**. **Any sum estimated for taxes or insurance affecting the Unit or the Regime may increase or decrease depending upon fluctuation of real property taxes or insurance rates.**

20.47. **Waiver of Environmental Conditions**. Declarant, together with its general partner(s), partners, directors, managers, officers, employees, agents, contractors, sub-contractors, design consultants, architects, advisors, brokers, sales personnel and marketing agents (collectively, the "**Declarant Parties**"), and the Association, together with its directors, managers, employees and agents (collectively, the "**Association Parties**") shall not in any way be considered an insurer or grantor of environmental conditions or indoor air quality within the Regime. Neither shall the Declarant Parties nor the Association Parties be held liable for any loss or damage by reason of or failure to provide adequate indoor air quality or any adverse environmental conditions. The Declarant Parties and the Association Parties do not represent or warrant that any construction materials, air filters, mechanical, heating, ventilating or air conditioning systems and chemicals necessary for the cleaning or pest control of the Regime will prevent the existence or spread of biological organisms, cooking odors, animal dander, dust mites, fungi, pollen, tobacco smoke, dust or the transmission of interior or exterior noise levels. The Declarant Parties and the Association Parties are not an insurer and each Owner and Occupant assumes all risks for indoor air quality and environmental conditions and acknowledges that the Declarant Parties and the Association Parties have made no representations or warranties nor have the Declarant Parties and the Association Parties, any Owner or Occupant, relied upon any representations or warranties, expressed or implied, including any warranty or merchantability or fitness for any particular purpose, relative to the air quality within the Regime.

20.48. **Commercial Unit**. Declarant makes no representation of the use or Occupant of the Commercial Unit, which may change from time to time. Additionally, the Commercial Unit may be unoccupied from time to time.

20.49. **Stormwater Facilities.** Declarant has constructed certain stormwater structural control measures on the Property for the purpose of capturing or preventing pollution in stormwater runoff the ("**Stormwater Facilities**"). The Stormwater Facilities are General Common Elements that shall be maintained and inspected by the Association so that the Stormwater Facilities remain in good working order and that the Stormwater Facilities perform as intended by their design function and in accordance with Applicable Law. The Association shall keep any and all inspection and maintenance records of the Stormwater Facilities and provide

Montgomery County with a copy of said maintenance and inspection records upon the request of Montgomery County. The Stormwater Facilities are set forth in the below table along with the recommended maintenance activities and recommended maintenance frequency:

Stormwater Facilities	Maintenance Activities	Maintenance Frequency
Stormwater Inlets and Catch Basins	Inspect all inlets and catch basins, and remove trash, debris, and accumulated silt/sediment.	Annually
Storm Sewer Pipes	Inspect all storm sewer pipes, and remove trash, debris, and accumulated silt/sediment.	Annually
Vegetative Lined Stormwater Drainage Swales	Mow or weed-eat swales to maintain vegetative growth not to exceed 12 inches in height. Ensure that swales are vegetated with native grasses. Bare spots, if they exist, should be sodded or reseeded. Newly seeded areas should be covered with erosion control fabric. Mulch or straw should not be used.	In general, maintenance of the vegetative lined stormwater drainage swales should occur monthly during the growing season.

ARTICLE 21
GENERAL PROVISIONS

21.1. **Vehicles, Parking Garage, Parking Spaces and Storage Spaces**.

21.1.1. Vehicles. All vehicles on the Property must adhere to speed limits, painted directional arrows, painted drivelanes and otherwise obey all posted traffic signage including, but not limited to, speed limit, right-of-way, directions and information. No vehicle may be operated in a manner that endangers the health or safety of other Persons. The driver of each vehicle on the Property is subject to Texas law and must observe safe driving principles at all times.

21.1.2. Parking Garage. All vehicles entering the parking garage on the Property must yield to oncoming traffic. All vehicles traveling out of and/or down the parking

garage have the right-of-way. Each Owner and any other Person including, but not limited to, guests, delivery contractors and service contractors, is solely responsible for any property damage, injury or disturbance such Owner's or Person's vehicle may cause. The Board of Directors, the Association, all Owners, the Declarant and each of their respective successors, assigns or designees disclaim any and all liability or responsibility for property damage, injury or death occurring from use of the parking garage. Water may drip into and pond within the parking garage, causing damage to items stored therein.

21.1.3. Parking Spaces. Neither Declarant nor the Association shall be held liable for any loss or damage arising from theft, vandalism, malicious mischief, or any loss or damage resulting from water or acid damage to any property placed or kept in any parking space in the Regime. Each Owner or Occupant with use of a parking space who places or keeps a vehicle and/or any personal property in the vehicle or parking space does so at his or her own risk.

21.1.4. Storage Spaces. Storage spaces shall be used solely for the purpose of storing any personal property belonging to the Owner or Occupant of the Unit to which such storage space is assigned. No Owner or Occupant shall store any explosives, or any flammable, odorous, noxious, corrosive, hazardous or pollutant materials or any other goods in the storage space that would cause danger or nuisance to the storage space, the Regime or the Property. Notwithstanding the foregoing, ammunition held for personal safety or off-site recreational use may be stored in storage spaces. The storage space shall not be used for any purposes unlawful or contrary to any ordinance, regulation, fire code, or health code. If hazardous substances are stored, used, generated or disposed of on or in the storage space or if the storage space becomes contaminated in any manner for which the Owner or Occupant thereof is legally liable, Owner or Occupant shall indemnify and hold harmless Declarant, the Association and the Board from any and all claims, damages, fines, judgments, penalties, costs, liabilities or losses and any and all sums paid from settlement of claims, attorneys' fees, consultant and expert fees, arising as a result of that contamination by Owner or Occupant. The storage spaces located on the Property are exposed to the elements. Water may drip into and pond within the storage spaces, causing damage to items stored therein. The storage spaces are not air-conditioned or heated and items stored therein may be damaged due to variations in temperature. Neither Declarant nor the Association shall be held liable for any loss or damage arising from theft, vandalism, malicious mischief, or any loss or damage resulting from property placed or kept in any storage space in the Regime. Each Owner or Occupant who places or keeps any personal property in a storage space does so at his or her own risk.

21.2. **Use of Names**. The name "Lakefront South Condominiums" is not a tradename. Notwithstanding the foregoing, no Person shall use the name "Lakefront South Condominiums" or any derivative of such name in any printed or promotional materials without Declarant's prior written consent. However, Owners may use the name "Lakefront South Condominiums" or

derivations thereof in printed or promotional materials prepared in connection with the sale or rental of their respective Unit where such term is used solely to specify that such Unit is located within the Regime, and the Association shall be entitled to use the words "Lakefront South Condominiums" in its name. The Association shall not use any name, web site domain, mark, symbol or any deviation of the foregoing (collectively, the "**Intellectual Property**") of Declarant or its affiliates without the owner of such Intellectual Property's prior written consent. Any use by the Association of Intellectual Property shall inure to the benefit of Declarant or such affiliate and shall be subject to periodic review for quality control. The Association shall enter into license agreements with Declarant or its affiliates, terminable with or without cause and in a form specified by Declarant in its sole discretion, with respect to any permissive use of any such Intellectual Property.

21.3. **Notices**. Any notice permitted or required to be given by this Declaration shall be in writing and may be delivered either by **electronic mail**, personally or by mail. Such notice shall be deemed delivered at the time of personal or **electronic delivery**, and if delivery is made by mail, it shall be deemed to have been delivered on the third (3rd) day (other than a Sunday or legal holiday) after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the Person at the address given by such Person to the Association for the purpose of service of notices. Such address may be changed from time to time by notice in writing given by such Person to the Association.

21.4. **Compliance**. The Owners hereby covenant and agree that the administration of the Association will be in accordance with the provisions of the Documents and Applicable Laws, regulations, and ordinances, as same may be amended from time to time, of any governmental or quasigovernmental entity having jurisdiction over the Association or Property.

21.5. **Higher Authority**. The Documents are subordinate to federal and State law, and local ordinances. Generally, the terms of the Documents are enforceable to the extent they do not violate or conflict with Applicable Law. If a conflict exists between the provisions of the Documents, then such documents shall control in the following order:

(i) the Allocation Document;

(ii) this Declaration;

(iii) the Certificate;

(iv) the Bylaws; and

(v) the Rules.

21.6. **Interpretation**. The provisions of this Declaration shall be liberally construed to effectuate the purposes of creating a uniform plan for the development and operation of the Regime and of promoting and effectuating the fundamental concepts of the Regime set forth in this Declaration. This Declaration shall be construed and governed under the laws of the State of Texas.

21.7. **Duration**. Unless terminated or amended by Owners as permitted herein, the provisions of this Declaration run with and bind the Property, and will remain in effect perpetually to the extent permitted by Applicable Law.

21.8. **Captions**. In all Documents, the captions of articles and sections are inserted only for convenience and are in no way to be construed as defining or modifying the text to which they refer. Boxed notices are inserted to alert the reader to certain provisions and are not to be construed as defining or modifying the text.

21.9. **Construction**. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine, or neuter shall each include the masculine, feminine, and neuter. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise effect that which is set forth in any of the paragraphs, sections, or articles hereof. Throughout this Declaration there appears text enclosed by a box. This text is used to aid in the reader's comprehension of certain provisions of this Declaration. In the event of a conflict between the text enclosed by a box and any provision of this Declaration, the provision of this Declaration will control.

21.10. **Appendix / Exhibits**. The following appendixes and exhibits are attached to this Declaration and are incorporated herein by reference:

Exhibit "A"	Property
Exhibit "B"	Plat and Plans
Exhibit "C"	Encumbrances
Exhibit "D"	Common Interest Allocation, Residential LCE Allocation, Commercial LCE Allocation and Allocation of Property Insurance Premiums
Exhibit "E"	Guide to Association's Examination of Common Elements
Exhibit "F"	Summary of Maintenance Obligations
Appendix "A"	Declarant Reservations and Representations

ARTICLE 22
CONDOMINIUM MANAGEMENT PROVISIONS

22.1. **Condominium Management Agreement**. Declarant, on behalf of the Association, intends to enter into a condominium management agreement (the "**Condominium Management Agreement**") for the management of the Regime with a condominium manager (the "**Condominium Manager**"). Under the terms of the Condominium Management Agreement, the Condominium may be known under a branded name or marks affiliated with the Condominium

Manager or such other name as may be approved by the Association and the Condominium Manager (the "**Branded Name**") for so long as the Condominium Management Agreement is in effect. During the term of the Condominium Management Agreement, at least once every three (3) years, the Board shall cause to be conducted a visual inspection of the accessible areas of the General Common Elements and other major components that the Association is obligated to restore or maintain under the terms of this Declaration or the Community Manual as a part of a required reserve study every three (3) years during the term of the Condominium Management Agreement. The Board shall review the most current reserve study annually and shall consider and implement necessary adjustments to the Board's analysis of the reserve account requirements as a result of such review.

22.2. **Branded Name Use**. Among other things, the Condominium Management Agreement will provide that any use of the Branded Name is limited to (a) signage on or about the Regime, which may also include the use of the name, trademarks, trade names, symbols, logos, insignias, indicia of origin, copyrights, slogans and designs of the Condominium Manager, as the same may be modified from time to time (the "**Marks**"), in form and style approved by Condominium Manager, in its sole but good faith discretion, and (b) the textual use of the Branded Name by the Association, the Board and the Unit Owners solely to identify the address of the Regime and the Residential Units. Any other use of the Branded Name or the Marks in relation to the Regime, the Building or the Residential Units is strictly prohibited. Neither the Unit Owners, the Board nor the Association has any right, title or interest in or to the Branded Name or the Marks.

22.3. **Termination of Branded Name Use**. Upon the termination or expiration of the Condominium Management Agreement, (a) all affiliation of the Regime with the Branded Name and the Condominium Manager will terminate, and (b) all uses of the Branded Name and the Marks, including all signs or other materials bearing the Branded Name or the Marks, will be removed from the Regime.

22.4. **Vacation Club Prohibition**. While the Condominium is operated by a branded management company or otherwise affiliated with a brand, Residential Unit Owners will not, without the prior written consent of such management company (which consent may be given or withheld in the management company's sole discretion) permit any Residential Unit to be used as, or as part of, a Vacation Club Product. For the purposes of this *Section 22.4*, "**Vacation Club Product**" means a timeshare, fractional, interval, vacation club, destination club, vacation membership, private membership club, private residence club, equity plan, non-equity plan, and points club products, programs, services, and plans, and is broadly construed to include other forms of similar products, programs, services or plans wherein purchasers acquire an ownership interest, use right or other entitlement to use certain determinable accommodations, rooms, condominium units, apartments, co-operative units, single family homes, cabanas, cottages, or attached or free standing townhomes and villas, and associated facilities on a periodic basis and pay for such ownership interest, use right or other entitlement in advance. However, a Residential Unit Owner may convey one or more Residential Unit(s) to the management company, its affiliate

or designee, for use as, or as part of, a Vacation Club Product owned, developed or operated by the management company or its affiliate or designee.

[SIGNATURE PAGE FOLLOWS]

EXECUTED on this 25 day of November, 20 24.

DECLARANT:

Lakefront South Condos, LLC, a Delaware limited liability company

By: Joseph Valane
Printed Name: Joseph Valane
Title: Secretary

THE STATE OF TEXAS §
§
COUNTY OF Montgomery §

This instrument was acknowledged before me this 25 day of November, 20 24, by Joseph Valane, Secretary of Lakefront South Condos, LLC, a Delaware limited liability company, on behalf of such company.

(SEAL)

MICHELLE HOFFART
NOTARY PUBLIC
STATE OF TEXAS
ID 126489021
EXP. 04-18-2028

Notary Public Signature

EXHIBIT "A"

PROPERTY

Restricted Reserve "A", in Block One (1), of The Woodlands Metro Center SEC. 85, an addition in Montgomery County, Texas, according to the map or plat thereof recorded in/under Cabinet Z, Sheet 7125 of the Map/Plat Records of Montgomery County, Texas

EXHIBIT "B"

CONDOMINIUM PLAT AND PLANS

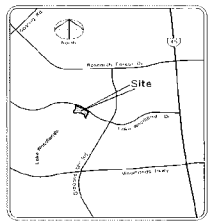
The Plat and Plans attached hereto contain the information required by the Texas Uniform Condominium Act.

BOUNDARIES OF UNIT

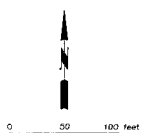
The legal boundaries of each Unit are established by Declarant and the Plat and Plans attached hereto. However, each Owner acknowledges that the Unit may be measured and depicted in a manner which differs from the legal boundaries of a Unit. For example, the Unit may be measured or depicted differently for tax purposes, appraisal purposes, sales purposes, and for purposes of carpeting and paint. No single measurement is definitive for all purposes. Measurements may be of the air conditioned space or the area within the Unit's legal boundaries. The Unit's partition wall cavities and/or its perimeter wall cavities may or may not be included. The Unit's balcony space may or may not be included.

SEE FOLLOWING PAGES FOR ORIGINAL CERTIFICATION

LAKEFRONT SOUTH CONDOMINIUMS
Site



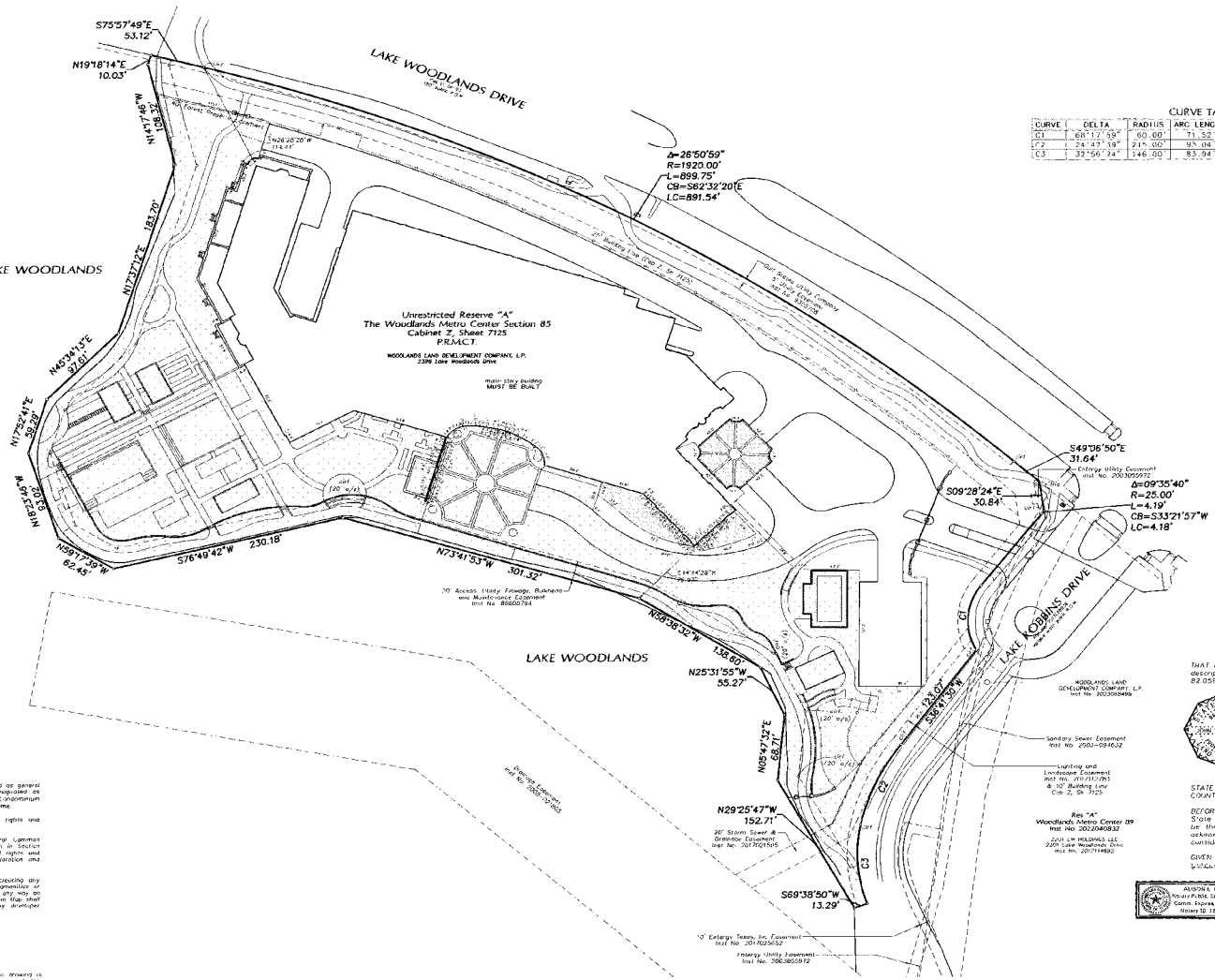
VICINITY MAP



Note:
Size of Map is based on 24"x 36" sheet.

—LEGEND

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element



—LEGEND—

- aerial power line
- fence
- wall

PROPERTY DESCRIPTION

BEING all of Unrestricted Reserve "A" of The Woodlands Metro Center Section 85, an addition to the City of The Woodlands according to the plat recorded in Cabinet Z, Sheet 7125 Plat Records, Montgomery County, Texas situated in the John Taylor Survey, Abstract Number 547, Montgomery County, Texas.

CURVE TABLE

CURVE	DELTA	RADIUS	ARC LENGTH	CHORD BEARING	CD LENGTH
C1	68°17'59"	60.00'	71.52'	S 04°00'48" W	67.36'
C2	24°47'39"	215.00'	93.04'	S 25°25'10" W	92.32'
C3	32°56'24"	146.00'	83.94'	S 04°27'46" E	82.79'

SURVEYOR'S DECLARATION

THAT I, JOHN R. PIBURN, JR., do hereby certify that the map and property description contained herein contain all information required by Section 82.059 of the Texas Property Code.

John R. Piburn, Jr., R.P.L.S.
Registration No. 3689

STATE OF TEXAS:
COUNTY OF DALLAS:

BEFORE ME, the undersigned, a Notary Public in and for said County and State on this day personally appeared John R. Piburn, Jr., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 6th day of December 2024

ALISON E. HERSEY
Notary Public, State of Texas
Comm. Expires 10-22-2024
Notary ID 125256965

NOTARY PUBLIC, DALLAS COUNTY, TEXAS
MY COMMISSION EXPIRES: 10/22/2024

Piburn & Company, LLC
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Richardson, Texas 75081
Ph: (214) 328-3500 Fax: (214) 328-3512
www.piburncompany.com email@piburncompany.com
Surveying Firm #100871-00

NOTES:

cirf = 1/2" iron rod with yellow plastic cap stamped "LJA SURVEYING" found for corner

1' of interstitial space is assumed between levels.

1) All improvements and land reflected on the plat are designated as general common elements, save and except portions of the regime designated as limited common elements or units: (i) in the Declaration of Condominium Regime (the "Declaration") or (ii) on the plat and plans of the regime.

2) Ownership and use of condominium units is subject to the rights and restrictions contained in the Declaration.

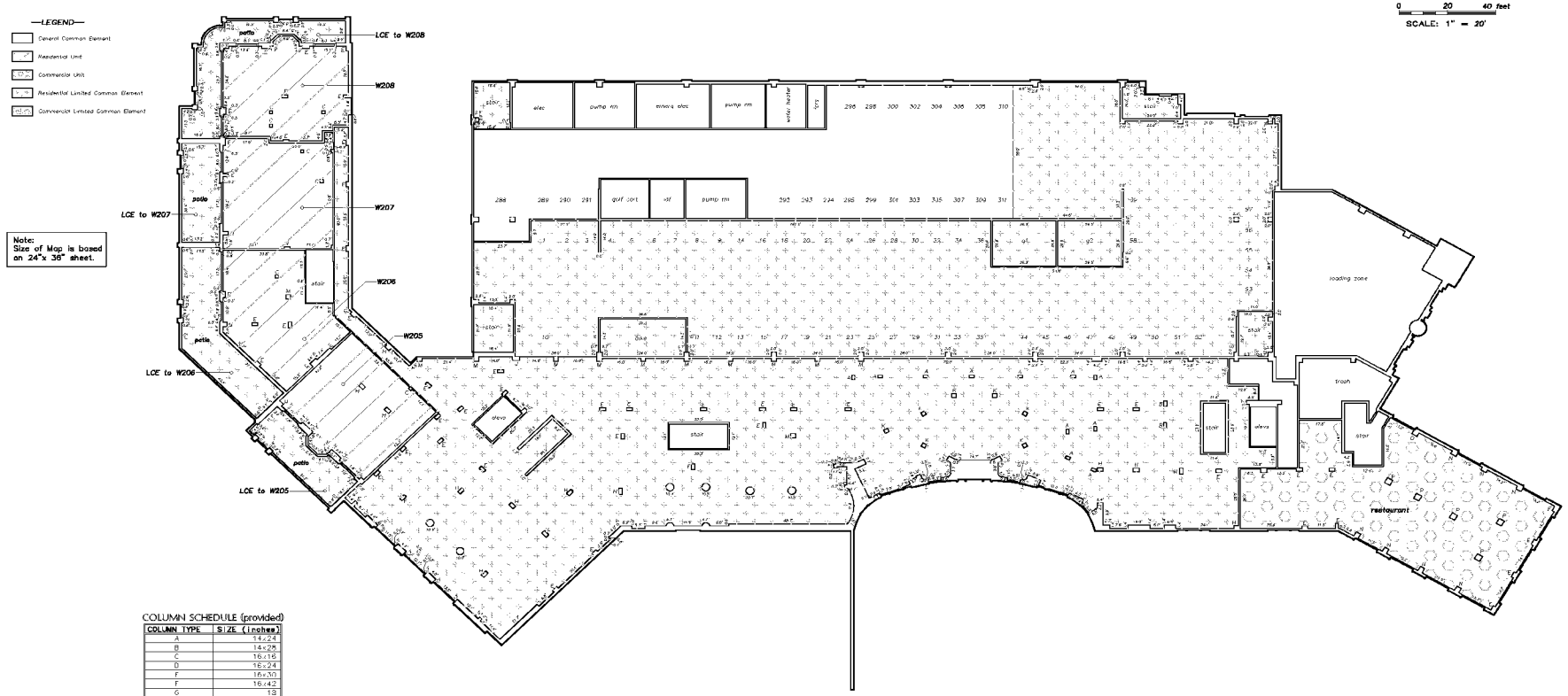
3) Ten Units, Buildings, Limited Common Elements and General Common Elements are subject to all special declarant rights as set forth in Section 82.003(a)(22) of the Texas Property Code and certain additional rights and reservations in favor of the Declarant as set forth in the Declaration and Appendix "A" attached thereto.

4) This map is not intended and shall not be interpreted as creating any obligation by developer to construct or install any improvements, amenities or facilities as may be depicted herein, and no person shall rely in any way on any other detail or other matter depicted herein. This Condominium Map shall not be deemed to contain any representation or warranty by developer whatsoever.

REV: 03/06/2024
DATE: 11/20/2023
JOB#: 23027

Copyright 2023 Piburn & Company, LLC. All Rights Reserved. This drawing is the property of Piburn & Company, LLC. Any modification or use of this drawing without the express written authorization of Piburn & Company, LLC is prohibited.

LAKEFRONT SOUTH CONDOMINIUMS
Level 1



COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (inches)
A	14x24
B	14x28
C	16x16
D	16x24
F	16x30
F	16x42
G	18
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	26x30
P	30x30
Q	32x30
H	64x30

REV: 03/08/2024
DATE: 11/20/2023
JOB#: 23027

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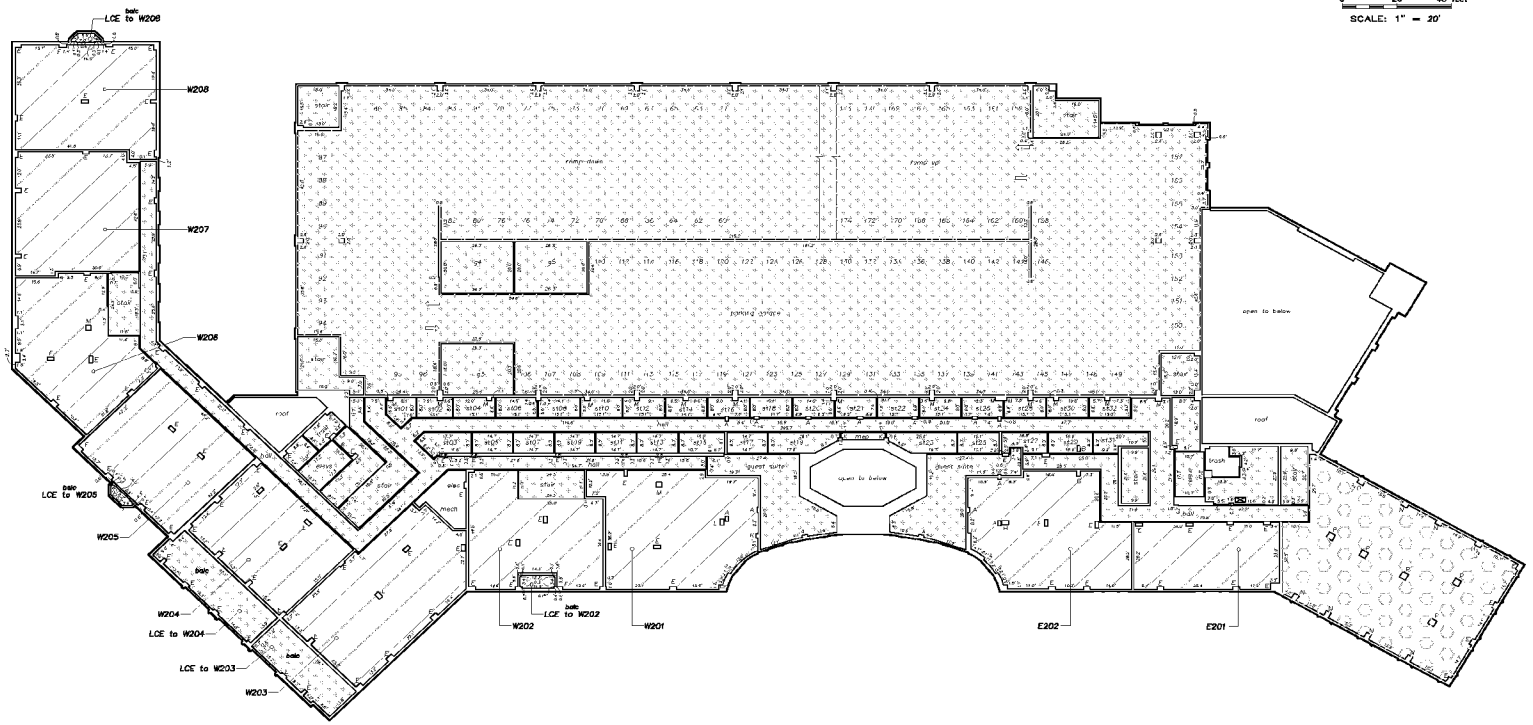
LAKEFRONT SOUTH CONDOMINIUMS
Level 2

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.



0 20 40 feet
SCALE: 1" = 20'

COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
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G	18
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	26x30
P	30x30
Q	32x30
R	84x30

REV: 03/08/2024
DATE: 11/20/2023
JOB#: 23027

SHEET 3 OF 17

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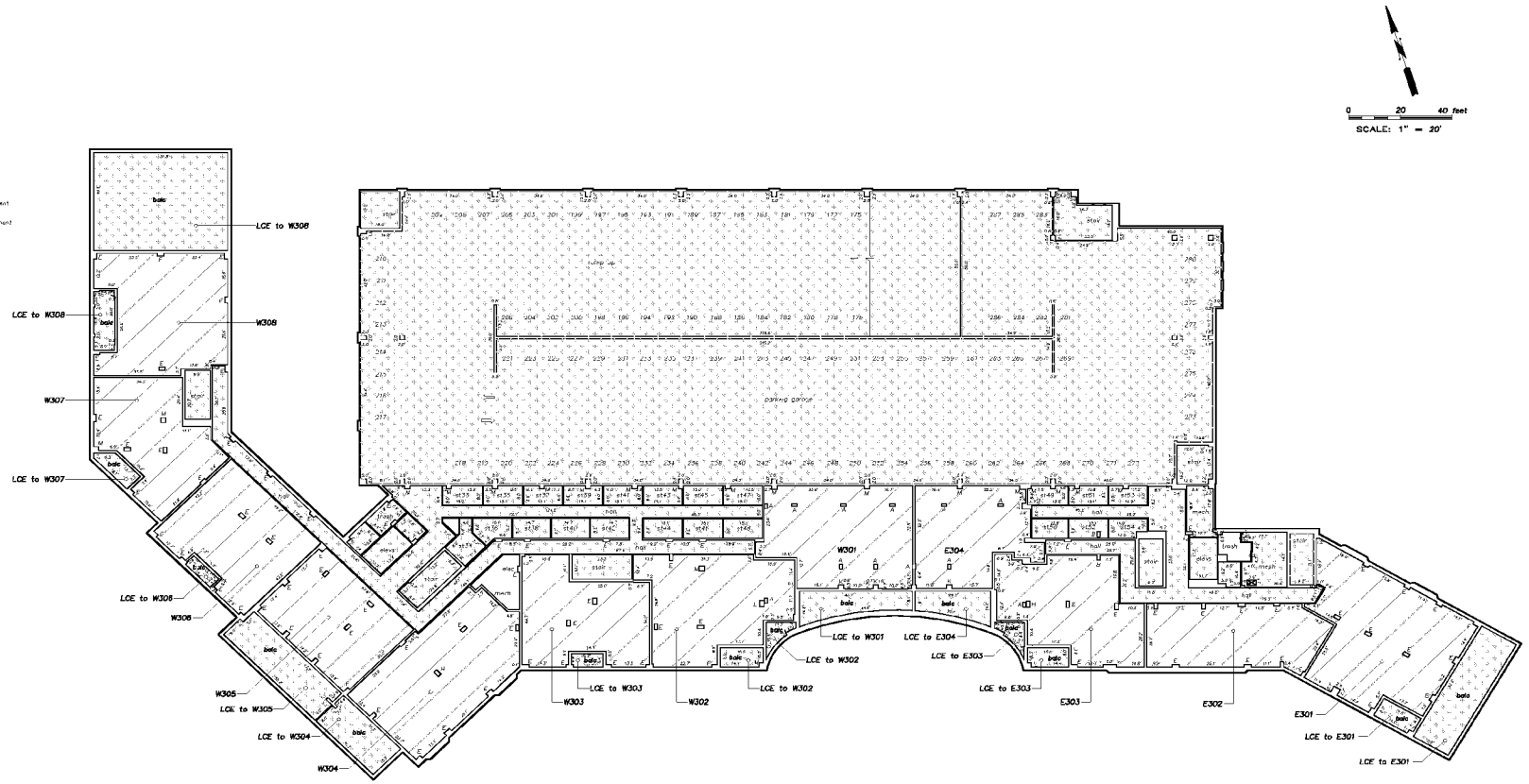
LAKEFRONT SOUTH CONDOMINIUMS
Level 3



COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
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P	30x30
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R	84x30

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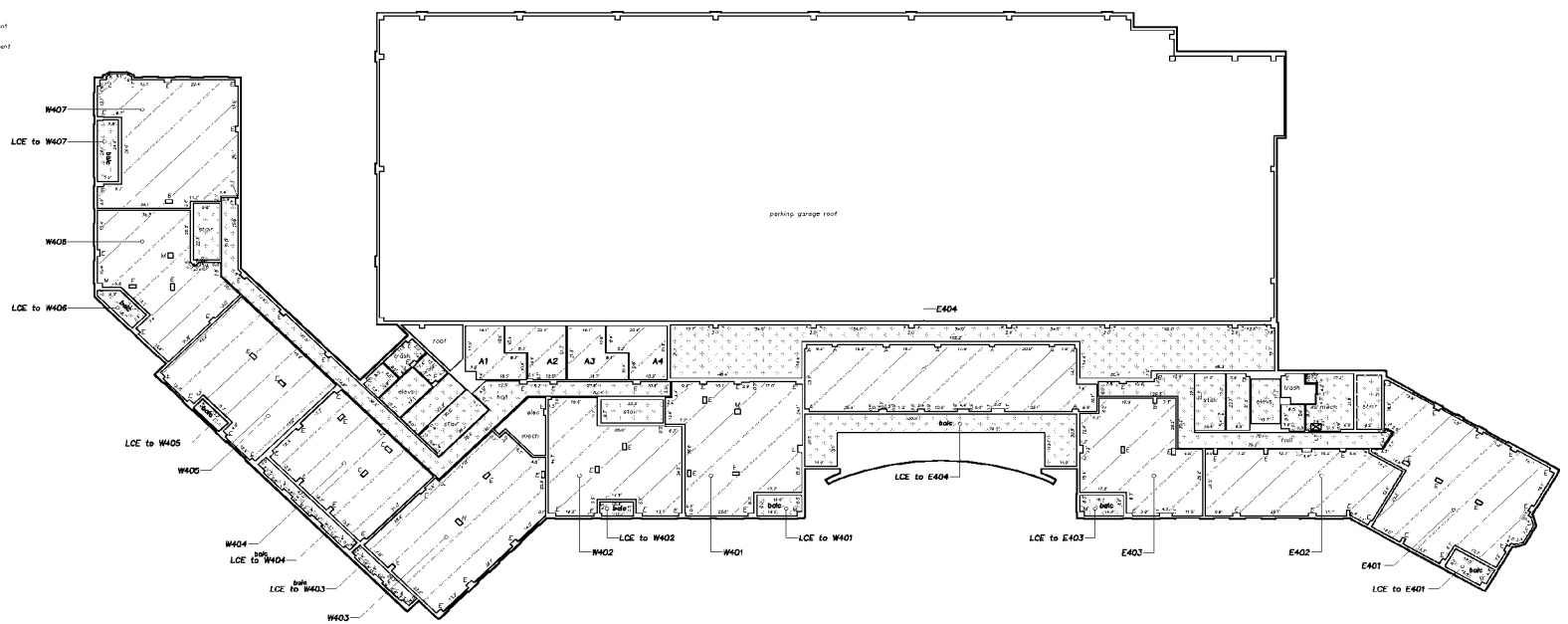
LAKEFRONT SOUTH CONDOMINIUMS
Level 4

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.

0 20 40 feet
SCALE: 1" = 20'



COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	18
H	18x36
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	26x30
P	30x30
Q	32x30
R	64x30

A1–A4 are auxiliary units.

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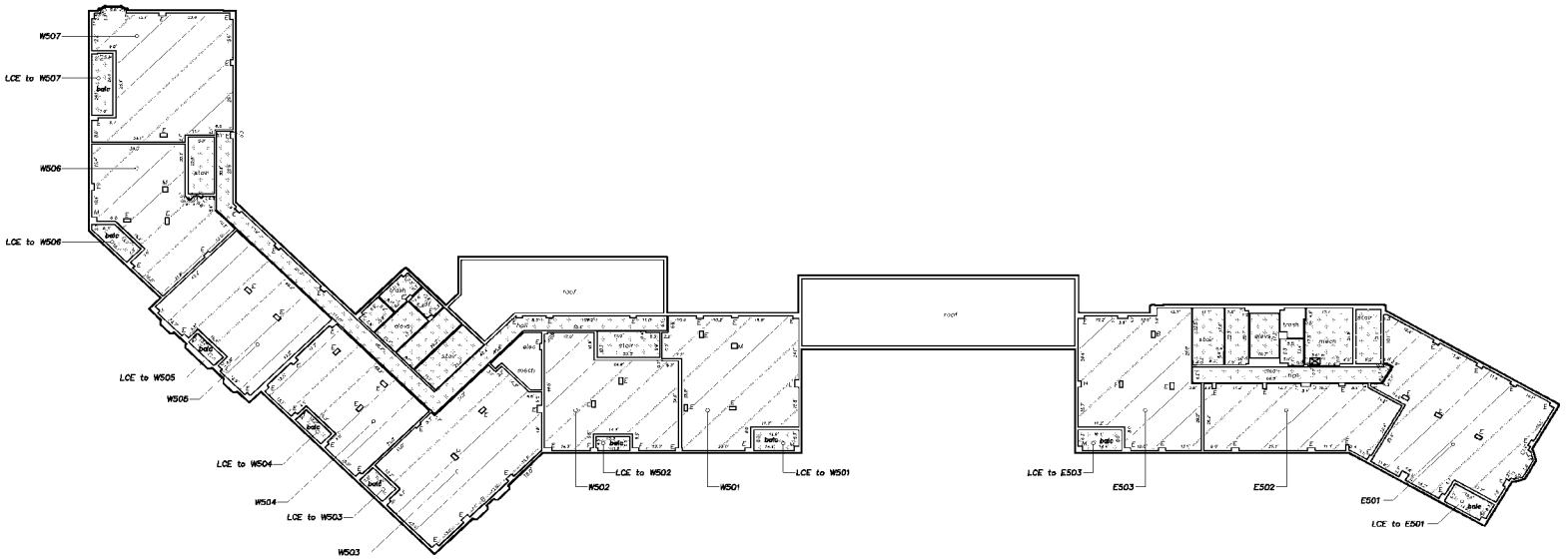
LAKEFRONT SOUTH CONDOMINIUMS
Level 5

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.

0 20 40 feet
SCALE: 1" = 20'



COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	18
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	26x30
P	30x30
Q	32x30
R	84x30

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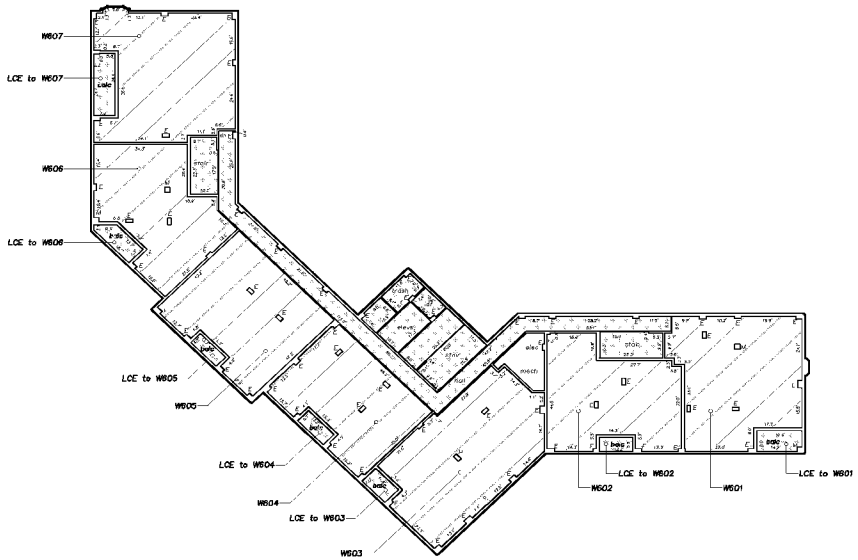
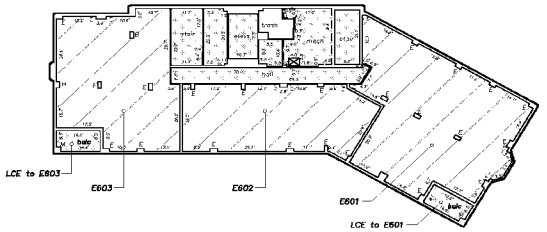
LAKEFRONT SOUTH CONDOMINIUMS
Level 6

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.







COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	18
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	26x30
P	30x30
Q	32x30
R	84x30

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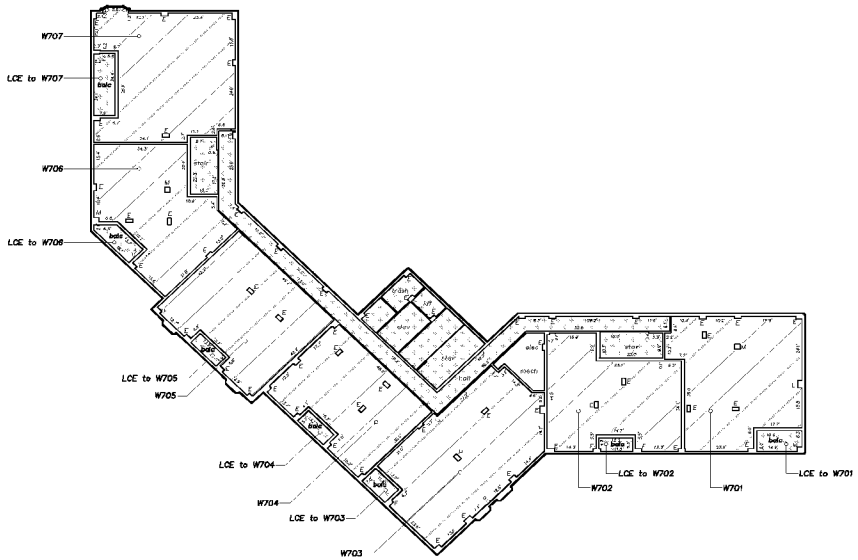
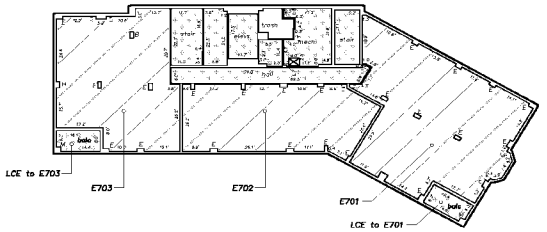
LAKEFRONT SOUTH CONDOMINIUMS
Level 7

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.





0 20 40 feet
SCALE: 1" = 20'

COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (inches)
A	14x24
B	14x28
C	16x16
D	16x24
F	16x30
F	16x42
G	18
H	18x30
J	18, 36
K	20x20
L	20x30
M	24, 24
N	24x30
O	26x30
P	30x30
Q	32x30
R	34x30

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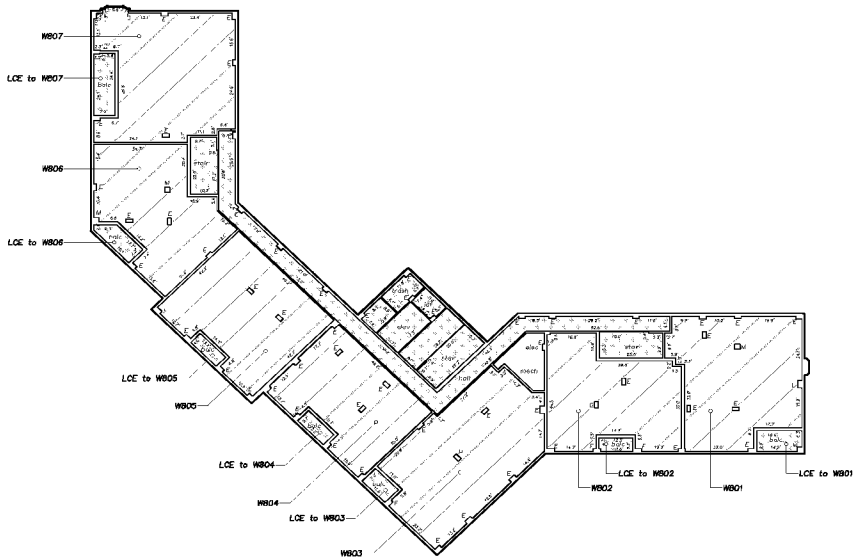
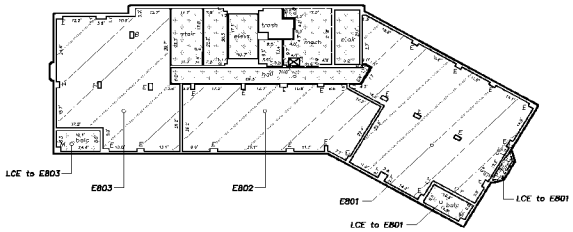
LAKEFRONT SOUTH CONDOMINIUMS
Level 8

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.





0 20 40 feet
SCALE: 1" = 20'

COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	16
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	26x30
P	30x30
Q	32x30
R	84x30

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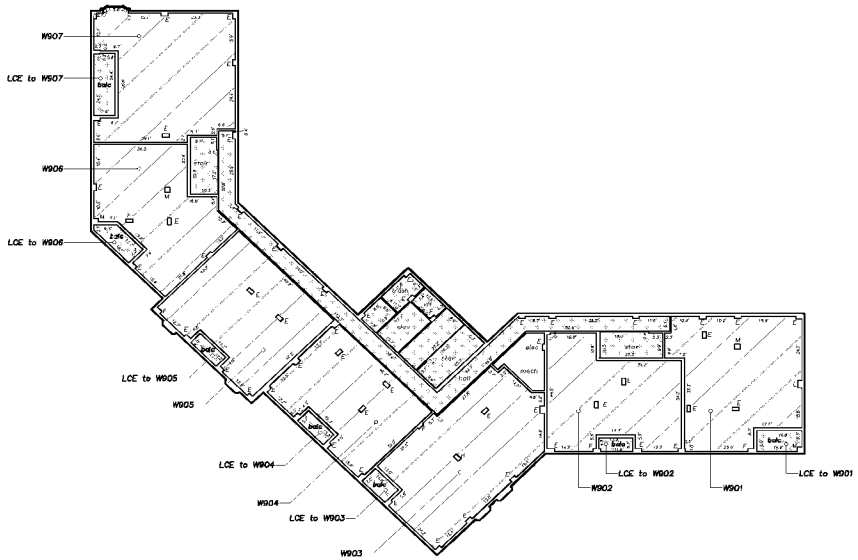
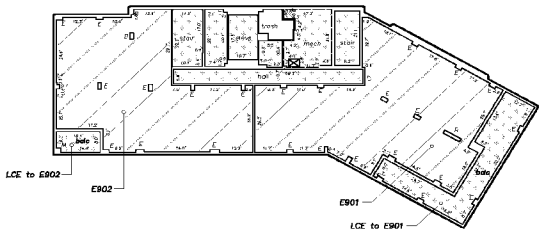
LAKEFRONT SOUTH CONDOMINIUMS
Level 9

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.







COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	IR
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	28x30
P	30x30
Q	32x30
R	84x30

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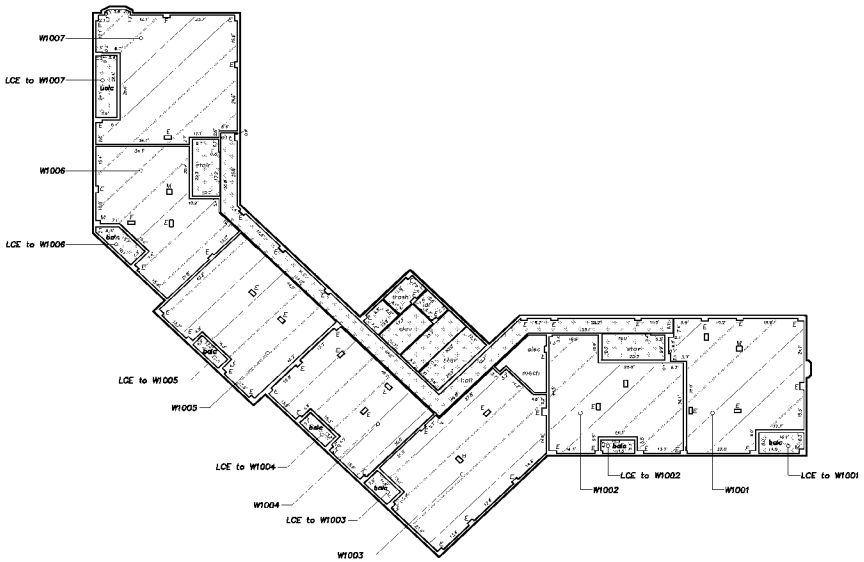
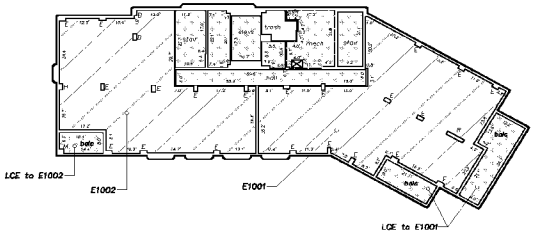
LAKEFRONT SOUTH CONDOMINIUMS
Level 10

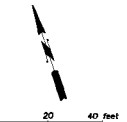
—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.







COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	IR
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	28x30
P	30x30
Q	32x30
R	84x30

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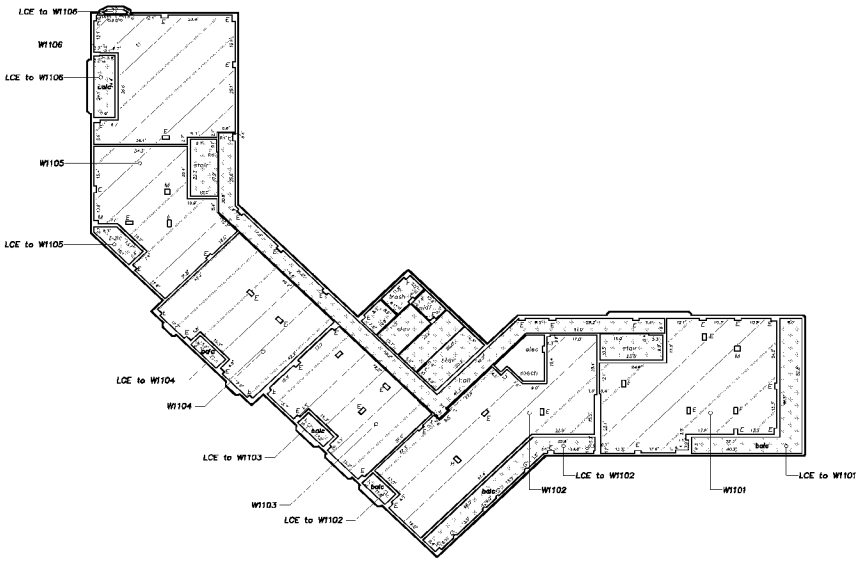
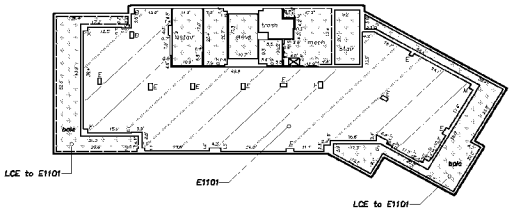
LAKEFRONT SOUTH CONDOMINIUMS
Level 11

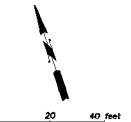
—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.







COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	IR
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	28x30
P	30x30
Q	32x30
R	84x30

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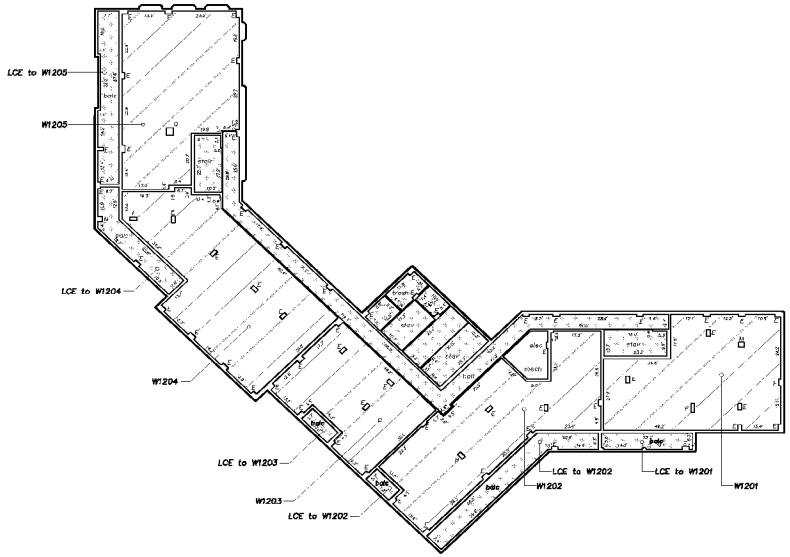
LAKEFRONT SOUTH CONDOMINIUMS
Level 12

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.





0 20 40 feet
SCALE: 1" = 20'

COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	IR
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	28x30
P	30x30
Q	32x30
R	84x30

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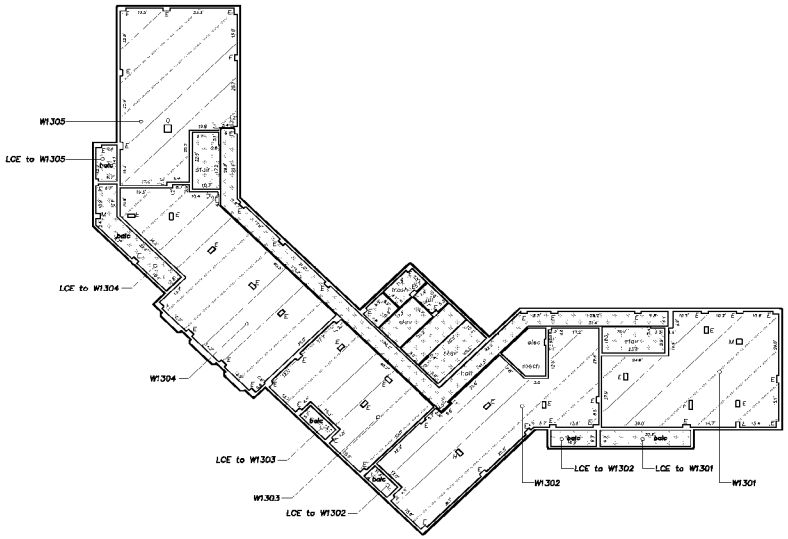
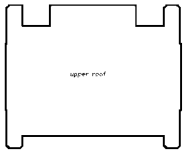
LAKEFRONT SOUTH CONDOMINIUMS
Level 13

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.





0 20 40 feet
SCALE: 1" = 20'

COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	IR
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	28x30
P	30x30
Q	32x30
R	84x30

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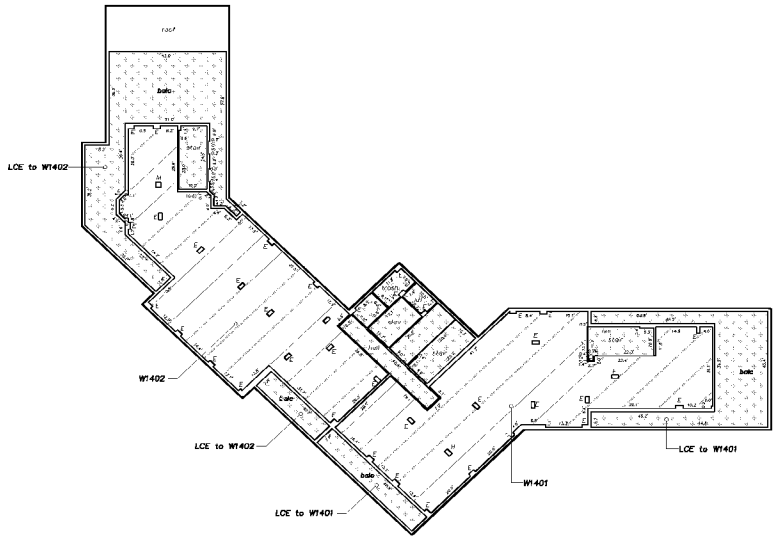
LAKEFRONT SOUTH CONDOMINIUMS
Level 14

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.



0 20 40 feet

SCALE: 1" = 20'

COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	IR
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	28x30
P	30x30
Q	32x30
R	84x30

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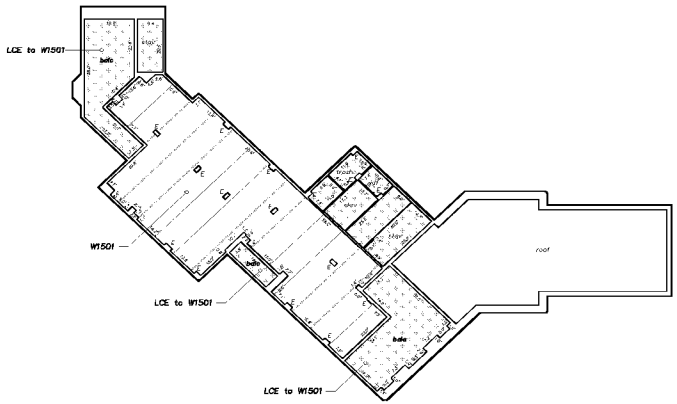
LAKEFRONT SOUTH CONDOMINIUMS
Level 15

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.



0 20 40 feet

SCALE: 1" = 20'

COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	IR
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	28x30
P	30x30
Q	32x30
R	84x30

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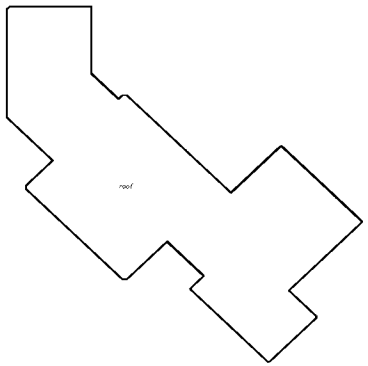
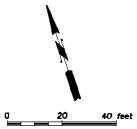
LAKEFRONT SOUTH CONDOMINIUMS
Roof

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.





SCALE: 1" = 20'

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EXHIBIT "C"

ENCUMBRANCES

1. The following restrictive covenants of record itemized below:

   Those recorded in/under Clerk's File Nos. 2021011896 and 2023121235 of the Real Property Records and as imposed by the plat and dedication recorded in Cabinet Z, Sheet 7125 of the Map Records of Montgomery County, Texas.

2. Building setback line, 25 feet in width, along the northeast property line, and 10 feet in width, along the southeast property line(s), as imposed by the plat recorded in/under Cabinet Z, Sheet 7125 of the Map Records of Montgomery County, Texas and as reflected on survey drawing made by Lucas G. Davis, R.P.L.S. No. 6599, dated January 3, 2024 and last revised on January 11, 2024.

3. Building setback line(s), Forest Preserve(s) and Maintenance Easement(s), as imposed by instrument recorded in/ under Clerk's File No. 2021011896 of the Real Property Records of Montgomery County, Texas and as reflected on survey drawing made by Lucas G. Davis, R.P.L.S. No. 6599, dated January 3, 2024 and last revised on January 11, 2024.

4. Access, utility, flowage bulkhead and maintenance easement 20 feet wide along the boundary line adjacent to Lake Woodlands, as reserved in instrument recorded in/under Clerk's File No. 8600794 of the Real Property Records of Montgomery County, Texas and as reflected on survey drawing made by Lucas G. Davis, R.P.L.S. No. 6599, dated January 3, 2024 and last revised on January 11, 2024.

5. Easement granted to Gulf States Utilities Company by instrument recorded under Clerk's File No. 9355708 of the Real Property Records of Montgomery County, Texas and as reflected on survey drawing made by Lucas G. Davis, R.P.L.S. No. 6599, dated January 3, 2024 and last revised on January 11, 2024.

6. Easement granted to Entergy Gulf States, Inc., by instrument recorded in/under Clerk's File No. 2003055972 of the Real Property Records of Montgomery County, Texas and as reflected on survey drawing made by Lucas G. Davis, R.P.L.S. No. 6599, dated January 3, 2024 and last revised on January 11, 2024.

7. Correction Lighting and Landscape Easement, by instrument recorded under Clerk's File No. 2017112783 of the Real Property Records of Montgomery County, Texas and as reflected on survey drawing made by Lucas G. Davis, R.P.L.S. No. 6599, dated January 3, 2024 and last revised on January 11, 2024.

8. Storm Sewer and Drainage Easement by instrument recorded under Clerk's File No. 2017021505 of the Real Property Records of Montgomery County, Texas and as reflected on survey drawing made by Lucas G. Davis, R.P.L.S. No. 6599, dated January 3, 2024 and last revised on January 11, 2024.

9. One-half (1/2) of all the oil, gas and other minerals, the royalties, bonuses, rentals and all other rights in connection with same as the same are reserved by James C. Baldwin by instrument recorded in Volume 300, Page 93 of the Deed Property Records of Montgomery County, Texas. Waiver of surface rights as set forth in instrument recorded under Clerk's File No. 8549571 of the Real Property Records of Montgomery County, Texas, and amended by instruments recorded under Clerk's File Nos 8717471, 9312816, 2001-000456 and 2004-129875 of the Real Property Records of Montgomery County, Texas.

10. An undivided 3/32 non-participating royalty interest in and to all the oil, gas and other minerals on, in, under or that may be produced as the same are reserved by Robert B. Baldwin by instrument recorded in Volume 595, Page 230 of the Deed Records of Montgomery County, Texas.

11. All the oil, gas and other minerals, the royalties, bonuses, rentals, and all other rights in connection as the same are reserved by Mabel Perkins Jackson and husband, Homer H. Jackson by instrument recorded in Volume 719, Page 236 of the Deed Records of Montgomery County, Texas. Waiver of surface rights as set forth therein.

12. All the oil, gas and other minerals, the royalties, bonuses, rentals, and all other rights in connection as the same are reserved by Mabel E. Perkins by instrument recorded in Volume 719, Page 239 of the Deed Records of Montgomery County, Texas. Waiver of surface rights as set forth therein.

13. Any rights, easements, interests or claims which may exist by reason of the concrete sidewalks traversing the northerly portion of subject property, as reflected on survey drawing made by Lucas G. Davis, R.P.L.S. No. 6599, dated January 3, 2024 and last revised on January 11, 2024.

EXHIBIT "D"

COMMON INTEREST ALLOCATION, RESIDENTIAL LCE ALLOCATION, COMMERCIAL LCE ALLOCATION, COMMERCIAL UNIT SERVICES EXPENSE ALLOCATION AND ALLOCATION OF PROPERTY INSURANCE PREMIUMS

Any obligations or rights, including Assessment charges or credits calculated or determined based on the Common Interest Allocation, Residential LCE Allocation or Commercial LCE Allocation which are not allocable to a particular Unit due to a rounding error, will be equally apportioned among all Units within the Regime.

THE COMMON INTEREST ALLOCATION, RESIDENTIAL LCE ALLOCATION AND COMMERCIAL LCE ALLOCATION ASSIGNED TO A PARTICULAR UNIT WILL CHANGE IF ADDITIONAL UNITS ARE CREATED AND ADDED TO THE REGIME BY DECLARANT.

Unit Number	Common Interest Allocation	Residential LCE Allocation	Commercial LCE Allocation	Commercial Unit Services Expense Allocation	Allocation of Property Insurance Premiums
A1	0.1376%	0.1427%	0.00%	0.869565%	0.1394%
A2	0.1424%	0.1477%	0.00%	0.869565%	0.1443%
A3	0.1428%	0.1481%	0.00%	0.869565%	0.1447%
A4	0.1428%	0.1481%	0.00%	0.869565%	0.1447%
E201	0.5063%	0.5250%	0.00%	0.869565%	0.5128%
E202	0.8513%	0.8828%	0.00%	0.869565%	0.8623%
W201	0.9022%	0.9356%	0.00%	0.869565%	0.9139%
W202	0.6764%	0.7014%	0.00%	0.869565%	0.6851%
W203	0.9247%	0.9589%	0.00%	0.869565%	0.9367%
W204	0.6687%	0.6934%	0.00%	0.869565%	0.6773%
W205	1.5727%	1.6309%	0.00%	0.869565%	1.5930%
W206	1.5126%	1.5685%	0.00%	0.869565%	1.5321%
W207	1.5709%	1.6290%	0.00%	0.869565%	1.5912%
W208	1.5639%	1.6217%	0.00%	0.869565%	1.5841%
E301	1.0295%	1.0676%	0.00%	0.869565%	1.0428%
E302	0.6425%	0.6662%	0.00%	0.869565%	0.6507%
E303	0.7417%	0.7691%	0.00%	0.869565%	0.7513%
E304	0.6251%	0.6482%	0.00%	0.869565%	0.6332%
W301	0.8421%	0.8732%	0.00%	0.869565%	0.8530%
W302	0.8074%	0.8372%	0.00%	0.869565%	0.8178%
W303	0.6764%	0.7014%	0.00%	0.869565%	0.6851%
W304	0.9247%	0.9589%	0.00%	0.869565%	0.9367%
W305	0.6687%	0.6934%	0.00%	0.869565%	0.6773%
W306	0.7473%	0.7749%	0.00%	0.869565%	0.7569%
W307	0.6712%	0.6960%	0.00%	0.869565%	0.6799%
W308	0.8495%	0.8809%	0.00%	0.869565%	0.8604%

E401	1.0473%	1.0860%	0.00%	0.869565%	1.0608%
E402	0.6421%	0.6658%	0.00%	0.869565%	0.6504%
E403	0.6210%	0.6440%	0.00%	0.869565%	0.6291%
E404	0.9864%	1.0228%	0.00%	0.869565%	0.9991%
W401	0.8104%	0.8403%	0.00%	0.869565%	0.8208%
W402	0.6764%	0.7014%	0.00%	0.869565%	0.6851%
W403	0.9244%	0.9586%	0.00%	0.869565%	0.9363%
W404	0.6690%	0.6938%	0.00%	0.869565%	0.6777%
W405	0.7473%	0.7749%	0.00%	0.869565%	0.7569%
W406	0.6705%	0.6953%	0.00%	0.869565%	0.6792%
W407	0.8550%	0.8866%	0.00%	0.869565%	0.8660%
E501	1.0450%	1.0837%	0.00%	0.869565%	1.0585%
E502	0.6421%	0.6658%	0.00%	0.869565%	0.6504%
E503	0.7952%	0.8246%	0.00%	0.869565%	0.8055%
W501	0.8092%	0.8392%	0.00%	0.869565%	0.8197%
W502	0.6760%	0.7010%	0.00%	0.869565%	0.6848%
W503	0.8842%	0.9168%	0.00%	0.869565%	0.8956%
W504	0.6314%	0.6547%	0.00%	0.869565%	0.6395%
W505	0.7473%	0.7749%	0.00%	0.869565%	0.7569%
W506	0.6698%	0.6945%	0.00%	0.869565%	0.6784%
W507	0.8554%	0.8870%	0.00%	0.869565%	0.8664%
E601	1.0443%	1.0829%	0.00%	0.869565%	1.0578%
E602	0.6425%	0.6662%	0.00%	0.869565%	0.6507%
E603	0.7952%	0.8246%	0.00%	0.869565%	0.8055%
W601	0.8104%	0.8403%	0.00%	0.869565%	0.8208%
W602	0.6738%	0.6987%	0.00%	0.869565%	0.6825%
W603	0.8842%	0.9168%	0.00%	0.869565%	0.8956%
W604	0.6325%	0.6559%	0.00%	0.869565%	0.6407%
W605	0.7473%	0.7749%	0.00%	0.869565%	0.7569%
W606	0.6709%	0.6957%	0.00%	0.869565%	0.6795%
W607	0.8539%	0.8855%	0.00%	0.869565%	0.8649%
E701	1.0443%	1.0829%	0.00%	0.869565%	1.0578%
E702	0.6425%	0.6662%	0.00%	0.869565%	0.6507%
E703	0.7952%	0.8246%	0.00%	0.869565%	0.8055%
W701	0.8092%	0.8392%	0.00%	0.869565%	0.8197%
W702	0.6753%	0.7003%	0.00%	0.869565%	0.6840%
W703	0.8838%	0.9165%	0.00%	0.869565%	0.8952%
W704	0.6321%	0.6555%	0.00%	0.869565%	0.6403%
W705	0.7473%	0.7749%	0.00%	0.869565%	0.7569%
W706	0.6709%	0.6957%	0.00%	0.869565%	0.6795%
W707	0.8539%	0.8855%	0.00%	0.869565%	0.8649%
E801	1.0299%	1.0680%	0.00%	0.869565%	1.0432%
E802	0.6425%	0.6662%	0.00%	0.869565%	0.6507%
E803	0.7952%	0.8246%	0.00%	0.869565%	0.8055%
W801	0.8100%	0.8399%	0.00%	0.869565%	0.8204%
W802	0.6734%	0.6983%	0.00%	0.869565%	0.6821%

W803	0.8867%	0.9195%	0.00%	0.869565%	0.8982%
W804	0.6321%	0.6555%	0.00%	0.869565%	0.6403%
W805	0.7473%	0.7749%	0.00%	0.869565%	0.7569%
W806	0.6709%	0.6957%	0.00%	0.869565%	0.6795%
W807	0.8539%	0.8855%	0.00%	0.869565%	0.8649%
E901	1.1819%	1.2256%	0.00%	0.869565%	1.1972%
E902	1.0565%	1.0955%	0.00%	0.869565%	1.0701%
W901	0.8085%	0.8384%	0.00%	0.869565%	0.8189%
W902	0.6768%	0.7018%	0.00%	0.869565%	0.6855%
W903	0.8867%	0.9195%	0.00%	0.869565%	0.8982%
W904	0.6321%	0.6555%	0.00%	0.869565%	0.6403%
W905	0.7473%	0.7749%	0.00%	0.869565%	0.7569%
W906	0.6716%	0.6964%	0.00%	0.869565%	0.6803%
W907	0.8543%	0.8858%	0.00%	0.869565%	0.8653%
E1001	1.1831%	1.2268%	0.00%	0.869565%	1.1983%
E1002	1.0569%	1.0959%	0.00%	0.869565%	1.0705%
W1001	0.8041%	0.8338%	0.00%	0.869565%	0.8145%
W1002	0.6757%	0.7006%	0.00%	0.869565%	0.6844%
W1003	0.8856%	0.9184%	0.00%	0.869565%	0.8971%
W1004	0.6325%	0.6559%	0.00%	0.869565%	0.6407%
W1005	0.7473%	0.7749%	0.00%	0.869565%	0.7569%
W1006	0.6716%	0.6964%	0.00%	0.869565%	0.6803%
W1007	0.8543%	0.8858%	0.00%	0.869565%	0.8653%
E1101	1.8547%	1.9232%	0.00%	0.869565%	1.8786%
W1101	1.0015%	1.0385%	0.00%	0.869565%	1.0144%
W1102	0.9875%	1.0240%	0.00%	0.869565%	1.0002%
W1103	0.6321%	0.6555%	0.00%	0.869565%	0.6403%
W1104	0.7473%	0.7749%	0.00%	0.869565%	0.7569%
W1105	0.6716%	0.6964%	0.00%	0.869565%	0.6803%
W1106	0.8484%	0.8797%	0.00%	0.869565%	0.8593%
W1201	0.9196%	0.9536%	0.00%	0.869565%	0.9315%
W1202	0.9901%	1.0267%	0.00%	0.869565%	1.0028%
W1203	0.6340%	0.6574%	0.00%	0.869565%	0.6421%
W1204	1.1281%	1.1698%	0.00%	0.869565%	1.1426%
W1205	0.9461%	0.9811%	0.00%	0.869565%	0.9584%
W1301	0.9148%	0.9486%	0.00%	0.869565%	0.9266%
W1302	0.9901%	1.0267%	0.00%	0.869565%	1.0028%
W1303	0.6321%	0.6555%	0.00%	0.869565%	0.6403%
W1304	1.1318%	1.1736%	0.00%	0.869565%	1.1464%
W1305	0.9447%	0.9796%	0.00%	0.869565%	0.9569%
W1401	1.7908%	1.8570%	0.00%	0.869565%	1.8139%
W1402	1.7377%	1.8019%	0.00%	0.869565%	1.7601%
W1501	1.7078%	1.7709%	0.00%	0.869565%	1.7298%
Commercial Unit	3.5650%	0.0000%	100.00%	0.00%	2.3200%

EXHIBIT "E"

GUIDE TO THE ASSOCIATION'S EXAMINATION OF COMMON ELEMENTS

This Guide provides information to assist the Board in conducting an annual examination of the Common Elements for the purpose maintaining replacement and repair reserves at a level that anticipates the scheduled replacement or major repair of components of the General Common Elements maintained by the Association. The examination is required by *Section 8.2* of the Declaration and is a necessary prerequisite to establishing sufficient reserves as required by *Section 5.13* of the Declaration. Additional information on conducting the examination may be obtained from the Community Associations Institute and their publication, *The National Reserve Study Standards of the Community Associations Institute.* See www.caionline.org. In addition, the Community Associations Institute provides certification for qualified preparers of reserve studies, known as a "Reserve Professionals Designation" (R.S.). Neither this Declaration nor current law requires that the Board engage an individual holding a Reserve Professional Designation for the purpose of conducting the annual examination of the Common Elements. Because laws and practices change over time, the Board should not use this Guide without taking into account applicable changes in law and practice.

Developing a Plan

In developing a plan, the age and condition of Common Elements maintained by the Association must be considered. The possibility that new types of material, equipment, or maintenance processes associated with the repair and/or maintenance of Common Elements should also be taken into account. The individual or company who prepares the examination calculates a suggested annual funding amount and, in doing so, may consider such factors as which components are included, estimated replacement costs of the components, useful lives of the components, inflation, and interest on reserve account balances or other earnings rates. Annual contributions to the replacement fund from Regular Assessments are based on this examination or reserve study. A reserve study generally includes the following:

- Identification and analysis of each major component of Common Elements maintained by the Association
- Estimates of the remaining useful lives of the components
- Estimates of the costs of replacements or repairs
- A cash flow projection showing anticipated changes in expenditures and contributions over a time period generally ranging between twenty (20) and thirty (30) years
- The "Funding Goal" which is generally one of the following:
  - Component Full Funding: Attaining, over a period of time, and maintaining, once the initial goal is achieved, a cumulative reserve account cash balance necessary to discharge anticipated expenditures at or near one hundred percent (100%); or

- Threshold Funding: Maintaining the reserve account cash balance above a specified dollar or percent funded amount.

Note that Threshold Funding will increase the likelihood that Special Assessments will be required to fund major repairs and replacements. For example, one study has shown that a Threshold Funding goal of 40 to 50% results in an 11.2% chance that the Association will be unable to fund repairs and replacement projects in the next funding year. See "Measuring the Adequacy of Reserves", *Common Ground*, July/August 1997. The same study found that Component Full Funding reduces this likelihood to between .09 and 1.4%.

Finding Common Element Component Replacement Information

Common Element component replacement information may be obtained from contractors, suppliers, technical specialists (IT, cable, fiber optics, etc.), and a "Reserve Study" specialist or from using tables in technical manuals on useful lives of various components. The Board must reevaluate its funding level each year based upon changes to the Common Elements as well as changes to replacement costs and component conditions. The specific components of Common Elements include, but are not limited to, roofing, electrical systems, plumbing, information technology equipment, floor coverings, air conditioning systems, heating and hot water equipment, roads, recreational facilities, and furniture and equipment owned or maintained by the Association. Components covered by maintenance contracts may be excluded if the contracts include maintenance and replacement of the components. The Board must also include within their overall budget a deferred maintenance account for those components requiring periodic maintenance which does not occur annually. Typically, the deferred maintenance account would include such components as painting, staining, and caulking.

EXHIBIT "F"

SUMMARY OF MAINTENANCE OBLIGATIONS

Set forth below is a summary of the maintenance obligations imposed upon the Association and each Owner generally as described more fully in this Declaration. Please note that the information set forth in this Exhibit "F" is a summary only and is not intended to modify any of the provisions of this Declaration. Accordingly, in the event of a conflict between the summary set forth in this Exhibit "F" and any provision set forth in this Declaration, the provision set forth in this Declaration will control. "All aspects" includes maintenance, repair, and replacement, as needed.

COMPONENT OF REGIME	ASSOCIATION RESPONSIBILITY	OWNER RESPONSIBILITY
Interior spaces within the Unit and all personal property located therein.	None.	All aspects.
Balconies, exterior glass sliding doors, exterior glass perimeter windows and front doors.	Maintaining, repairing and replacing, as necessary.	Routine cleaning.
Common egress corridors and elevators.	All aspects.	None.
Chutes, flues, ducts, conduits, wires, pipes, chases or other apparatus located in the Common Elements.	All aspects.	None.

APPENDIX "A"

DECLARANT RESERVATIONS AND REPRESENTATIONS

A.1. General Provisions.

A.1.1. Introduction. Declarant intends this Declaration to be perpetual and understands that provisions pertaining to the initial development, construction, marketing, and control of the Regime will become obsolete upon expiration or termination of the Development Period. As a courtesy to future users of this Declaration, who may be frustrated by then-obsolete terms, Declarant is compiling Declarant-related provisions in this Appendix.

A.1.2. General Reservation and Construction. Notwithstanding other provisions of the Documents to the contrary, nothing contained therein may be construed to, nor may any Mortgagee, other Owner, or the Association, prevent or interfere with the rights contained in this Appendix which Declarant hereby reserves exclusively unto itself and its successors and assigns. In case of a conflict between this Appendix "A" and any other Document, this Appendix "A" controls. This Appendix may not be amended without the prior written consent of Declarant. The terms and provisions of this Appendix must be construed liberally to give effect to Declarant's intent to protect Declarant's interests in the Regime.

A.1.3. Purpose of Development and Declarant Control Periods. This Appendix gives Declarant certain rights during the Development Period and Declarant Control Period to ensure a complete and orderly sellout of Units, which is ultimately for the benefit and protection of Owners and Mortgagees. The "**Development Period**", as specifically defined in the *Section 1.25* of this Declaration, means the fifteen (15)-year period beginning on the date this Declaration is Recorded, unless such period is earlier terminated by Declarant's Recordation of a notice of termination. "**Declarant Control Period**" is defined in *Section 1.23* of this Declaration.

A.2. Declarant Control Period Reservations. For the benefit and protection of Owners and Mortgagees, and for the purpose of ensuring a complete and orderly build-out and sellout of the Units, Declarant will retain control of the Association, subject to the following:

A.2.1. Duration. The duration of Declarant Control Period will be from the date this Declaration is recorded for a maximum period not to exceed one hundred twenty (120) days after title to seventy-five percent (75%) of the maximum amount of Units that may be created under this Declaration have been conveyed to Owners other than Declarant.

A.2.2. Budgets. During the Declarant Control Period, Declarant and the Declarant-appointed Board will establish projected budgets for the Units as a fully developed, fully constructed, and fully occupied residential community with a level of services and maintenance commensurate with those provided in similar types of

developments, using cost estimates that are current for the period in which the budget is prepared. The budgets may not include enhancements voluntarily provided by Declarant to facilitate the marketing of Units.

A.2.3. Officers and Directors. During the Declarant Control Period, the Board may consist of three Persons. Declarant may appoint, remove, and replace any officer or director of the Association, none of whom need be Members or Owners, and each of whom is indemnified by the Association as a "Leader," subject to the following limitation: within one hundred twenty (120) days after fifty percent (50%) of the maximum number of Units that may be created under this Declaration have been conveyed to Owners other than Declarant, at least one-third of the Board must be elected by Owners other than Declarant.

A.2.4. Obligation for Assessments. For each Unit owned by Declarant, Declarant is liable for Special Assessments, Utility Assessments, Individual Assessments, and Deficiency Assessments in the same manner as any Owner. Regarding Regular Assessments, during the Declarant Control Period only, Declarant at Declarant's option may support the Association's budget by either of the following methods: (i) Declarant will pay Regular Assessments on each Declarant owned Unit in the same manner as any Owner (including any reserves assessed as part of the Regular Assessments); or (ii) Declarant will assume responsibility for the difference between the Association's actual Common Expenses as they are paid and the Regular Assessments received from Owners other than Declarant, and will provide any additional funds necessary to pay actual cash outlays of the Association (with no responsibility for funding any budgeted reserve amounts). On the earlier to occur of three (3) years after the first conveyance of a Unit by Declarant or termination of the Declarant Control Period, Declarant must begin paying Assessments on each Declarant owned Unit according to the Unit's Common Expense Liability, including any budgeted reserve amounts.

A.2.5. Obligation for Reserves. During the Declarant Control Period, neither the Association nor Declarant may use the Association's reserve funds to pay operational expenses of the Association.

A.2.6. Expenses of Declarant. Expenses related to the completion and marketing of the Units will be paid by Declarant and are not expenses of the Association.

A.2.7. General Common Elements. At or prior to termination of Declarant Control Period, if title or ownership to any General Common Element is capable of being transferred, Declarant will convey title or ownership to the Association. At the time of conveyance, the General Common Element will be free of encumbrance except for the property taxes, if any, accruing for the year of conveyance and liens established to secure Assessments and charges under this Declaration. Declarant's conveyance of title or ownership is a ministerial task that does not require and is not subject to acceptance by the Association or the Owners.

A.3. Development Period Rights; Representations & Reservation. Declarant makes the following representations and reservations regarding Declarant's development of the Regime:

A.3.1. Leasehold. No part of the Regime is a leasehold condominium, as defined by the Act.

A.3.2. Annexation. The Property is subject to expansion during the Development Period. During the Development Period, Declarant may annex additional property into the Regime, and subject such property to this Declaration and the jurisdiction of the Association by Recording an amendment or supplement of this Declaration, executed by Declarant, in the Official Public Records of Montgomery County, Texas.

A.3.3. Creation of Units. When created, the Property contains one hundred fifteen (115) Residential Units and one (1) Commercial Unit; however, Declarant reserves the right to create up to one hundred twenty (120) Units. Declarant's right to create Units is for a term of years and does not require that Declarant own a Unit at the time or times Declarant exercises its right of creation. The instrument creating additional units must include a revised schedule of Common Interest Allocation, Residential LCE Allocation, Commercial LCE Allocation and Commercial Unit Services Expense Allocation.

A.3.4. Changes in Development Plan. During the Development Period, Declarant may modify the initial development plan to respond to perceived or actual changes and opportunities in the marketplace. Modifications may include, without limitation, the subdivision or combination of Units, changes in the sizes, styles, boundaries, configurations, materials, and appearances of Units, and Common Elements.

A.3.5. Architectural Control. During the Development Period, Declarant has the absolute right of architectural control.

A.3.6. Transfer Fees. During the Development Period, Declarant will not pay transfer-related and resale certificate fees.

A.3.7. Website & Property Name. During the Development Period, Declarant has the unilateral right to approve or disapprove uses of any website purporting to serve the Property or the Association, all information available on or through the Property or Association website, if any, and all uses of the property name by the Association.

A.3.8. Statutory Development Rights. As permitted by the Act, Declarant reserves the following Development Rights which may be exercised during the Development Period: (i) to add real property to the Regime; (ii) to reconfigure and to create Units, General Common Elements, and Limited Common Elements within the Property; (iii) to subdivide Units or convert Units into Common Elements; (iv) to reallocate General Common Elements as Limited Common Elements (including Residential LCE or Commercial LCE); and (v) to withdraw from the Regime any portion of the real property marked on the Plat and Plans as "Development Rights Reserved" or

"Subject to Development Rights," provided that no Unit in the portion to be withdrawn has been conveyed to an Owner other than Declarant.

A.3.9. Development Rights Reserved. Regarding portions of the real property shown on the Plat and Plans as "Development Rights Reserved" or "Subject to Development Rights," if any, Declarant makes no assurances as to whether Declarant will exercise its Development Rights, the order in which portions will be developed, or whether all portions will be developed. The exercise of Development Rights as to some portions will not obligate Declarant to exercise them as to other portions.

A.3.10. Amendment. During the Development Period, Declarant may amend this Declaration and the other Documents, without consent of other Owners or any Mortgagee, for the following limited purposes:

(i) To meet the requirements, standards, or recommended guidelines of an Underwriting Lender to enable an institutional or governmental lender to make or purchase mortgage loans on the Units.

(ii) To correct any defects in the execution of this Declaration or the other Documents.

(iii) To add real property to the Regime, in the exercise of statutory Development Rights. In conjunction with adding real property to the Regime, the Declarant may impress use restrictions upon the Common Elements of the additional real property which may limit the right to access additional or existing amenities within the Property.

(iv) To create Units, General Common Elements, and Limited Common Elements in the exercise of statutory Development Rights.

(v) To subdivide, combine, reconfigure Units or convert Units into Common Elements, in the exercise of statutory Development Rights.

(vi) To reallocate General Common Elements as Limited Common Elements (including Residential LCE or Commercial LCE).

(vii) To withdraw from the Regime any portion of the real property marked on the Plat and Plans as "Development Rights Reserved" or "Subject to Development Rights" in the exercise of statutory Development Rights.

(viii) To resolve conflicts, clarify ambiguities, and to correct misstatements, errors, or omissions in the Documents.

(ix) To change the name or entity of Declarant.

A.4. Special Declarant Rights. As permitted by the Act, Declarant reserves the below described Special Declarant Rights, to the maximum extent permitted by law, which may be exercised, where applicable, during the Development Period. Unless terminated earlier by an amendment to this Declaration executed by Declarant, any Special Declarant Right may be

exercised by Declarant so long as Declarant holds a Development Right to create additional Units or Common Elements or Declarant owns a Unit, whichever ceases last. Earlier termination of certain rights may occur by statute.

(i) The right to complete or make Improvements indicated on the Plat and Plans.

(ii) The right to exercise any Development Right permitted by the Act and this Declaration.

(iii) The right to make the Property part of a larger condominium or planned community.

(iv) The right to use Units owned or leased by Declarant as models, storage areas, and offices for the marketing, management, maintenance, customer service, construction, and leasing of any Unit.

(v) For purposes of promoting, identifying, and marketing the Regime, Declarant reserves an easement and right over and across the Regime: (i) for the placement and maintenance of signs, banners, decorations, marketing materials, a sales office, a leasing office, a business office, promotional facilities and four (4) model Units, together with such other facilities as in the opinion of Declarant may be reasonably required, convenient or incidental to the completion, renovation, improvement, development, sale or lease of any Unit; and (ii) for marketing events, promotional events and activities. In connection with the hosting of promotional events and activities, Declarant shall be permitted to have live entertainment and any noise created therefrom shall not be deemed a nuisance and shall not cause Declarant and its representatives, agents, associates, employees, tenants and guests to be deemed in violation of any provision of the Documents.

(vi) Declarant has an easement and right of ingress and egress in and through the Property for the placement or installation of signs, banners, flags, display lighting, potted plants, exterior decorative items, seasonal decorations, temporary window treatments, and seasonal landscaping, including items and locations that are prohibited to other Owners and Occupants.

(vii) Declarant has an easement and right of ingress and egress in and through the Common Elements and Units owned or leased by Declarant for purposes of constructing, maintaining, managing, and marketing the Units, and for discharging Declarant's obligations under the Act and this Declaration.

(viii) The right to appoint or remove any Declarant-appointed officer or director of the Association during the Declarant Control Period consistent with the Act.

A.5. Additional Easements and Rights. Declarant reserves the following easements and rights, exercisable at Declarant's sole discretion, for the duration of the Development Period:

(i) An easement and right to erect, construct, and maintain on and in the Units owned or leased by Declarant and the Common Elements whatever Declarant determines to be necessary or advisable in connection with the construction, completion, management, maintenance, and marketing of the Units.

(ii) The right to sell or lease any Unit owned by Declarant. Units owned by Declarant are not subject to leasing or occupancy restrictions or prohibitions contained elsewhere in this Declaration or the other Documents.

(iii) The right of entry and access to all Units to perform work, if any, for the benefit of the Unit being entered, adjoining Units, or Common Elements. Requests for entry must be made in advance for a time reasonably convenient for the Owner who may not unreasonably withhold consent.

(iv) An easement and right to make structural changes and alterations on Common Elements and Units used by Declarant as models and offices, as may be necessary to adapt them to the uses permitted herein.

(v) An easement over the entire Property, including the Units, to inspect the Common Elements and all Improvements thereon and related thereto to evaluate the maintenance and condition of the Common Element Improvements.

(vi) The right to provide a reasonable means of access for the public through the gated entrance, if any, in connection with the active marketing of Units by Declarant, including the right to require that the gates be kept open during certain hours or on certain days.

Doc #: 2024118333
Pages 141

E-FILED FOR RECORD
11/25/2024 12:04PM



L. Brandon Steinmann
County Clerk,
Montgomery County, Texas

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

11/25/2024



L. Brandon Steinmann
County Clerk,
Montgomery County, Texas

AFTER RECORDING RETURN TO:

ROBERT D. BURTON, ESQ.
PRESTON A. PATTEN, ESQ.
WINSTEAD PC
600 W. 5TH STREET, SUITE 900
AUSTIN, TEXAS 78701

FIRST AMENDMENT TO DECLARATION OF CONDOMINIUM REGIME FOR LAKEFRONT SOUTH CONDOMINIUMS

(A Condominium Community in Montgomery County, Texas)

Declarant: LAKEFRONT SOUTH CONDOS, LLC, a Delaware limited liability company

Cross reference to Declaration of Condominium Regime for Lakefront South Condominiums, recorded as Document No. 2024118333 in the Official Public Records of Montgomery County, Texas.

FIRST AMENDMENT TO DECLARATION OF CONDOMINIUM REGIME FOR LAKEFRONT SOUTH CONDOMINIUMS

This First Amendment to Declaration of Condominium Regime for Lakefront South Condominiums (this "**Amendment**") is made by **LAKEFRONT SOUTH CONDOS, LLC**, a Delaware limited liability company ("**Declarant**"), and is as follows:

RECITALS:

A. Declarant previously executed and recorded that certain Declaration of Condominium Regime for Lakefront South Condominiums, recorded as Document No. 2024118333 in the Official Public Records of Montgomery County, Texas (the "**Declaration**").

B. Pursuant to *Section A.3.10(v)* of Appendix "A" to the Declaration, Declarant reserved the right, during the Development Period, to amend the Declaration in order to subdivide, combine, reconfigure Units or convert Units into Common Elements, in the exercise of statutory Development Rights.

C. Pursuant to *Section 18.1* of the Declaration, the Declaration may amended by Owners representing at least sixty-seven percent (67%) of the votes in the Association. Declarant is currently Owner of all the Units in the Regime, and therefore has one hundred percent (100%) of the votes in the Association.

D. The Development Period is the fifteen (15) year period beginning on the date the Declaration is Recorded, and is currently in effect.

E. Declarant now desires to amend the Declaration in order to revise the Condominium Plat and Plans attached as Exhibit "B" to the Declaration and to replace Exhibit "D" to the Declaration in order revise the Common Interest Allocation, Residential LCE Allocation, Commercial LCE Allocation, Commercial Unit Services Expense Allocation and Allocation of Property Insurance Premiums table.

NOW THEREFORE, the Declaration is hereby amended as follows:

1. Replacement of Exhibit "B" – Condominium Plat and Plans. The Plat and Plans attached to the Declaration as Exhibit "B" are hereby deleted in their entirety and the Plat and Plans attached hereto as Attachment 1 are substituted in their place.

2. Common Interest Allocation. Exhibit "D" to the Declaration is hereby deleted in its entirety, and the Common Interest Allocation, Residential LCE Allocation, Commercial LCE Allocation, Commercial Unit Services Expense Allocation and Allocation of Property Insurance Premiums table attached hereto as Attachment 2 is substituted in its place. Attachment 2,

attached hereto, will supersede and replace Exhibit "D" attached to the Declaration.

3. **Effect of Amendment**. Any capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Declaration. Unless expressly amended by this Amendment, all other terms and provisions of the Declaration remain in full force and effect as written and are hereby ratified and confirmed.

[SIGNATURE PAGE TO FOLLOW]

Executed to be effective on 4/7/26, 2026.

DECLARANT:

LAKEFRONT SOUTH CONDOS, LLC, a Delaware limited liability company

By: _____
Printed Name: Doug Johnstone
Title: Vice President

STATE OF HAWAII)
) SS.
CITY AND COUNTY OF HONOLULU)

On 4/7/26, 2026, before me personally appeared Doug Johnstone, of **LAKEFRONT SOUTH CONDOS, LLC**, a Delaware limited liability company, on behalf of such entity.

TRACEY K. MORISUGI NOTARY PUBLIC 14-314 STATE OF HAWAII

Tracey K. Morisugi
Notary Signature Date 4/7/26
Name (printed): Tracey K. Morisugi
My Commission expires: 9/14/2026

Document Date: 4/7/26 #Pages: 9
Notary Name: TRACEY K. MORISUGI First Circuit
Doc. Description: First Amendment to Declaration of Condominium Regime for Lakefront South Condominiums
Tracey K. Morisugi 4-7-26
Notary Signature Date
NOTARY CERTIFICATION
MY COMMISSION EXPIRES: 9/14/2026

TRACEY K. MORISUGI NOTARY PUBLIC 14-314 STATE OF HAWAII

ATTACHMENT 1

CONDOMINIUM PLAT AND PLANS

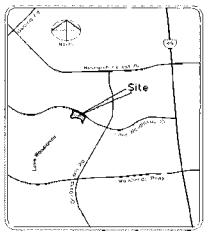
The Plat and Plans attached hereto contain the information required by the Texas Uniform Condominium Act.

BOUNDARIES OF UNIT

The legal boundaries of each Unit are established by Declarant and the Plat and Plans attached hereto. However, each Owner acknowledges that the Unit may be measured and depicted in a manner which differs from the legal boundaries of a Unit. For example, the Unit may be measured or depicted differently for tax purposes, appraisal purposes, sales purposes, and for purposes of carpeting and paint. No single measurement is definitive for all purposes. Measurements may be of the air conditioned space or the area within the Unit's legal boundaries. The Unit's partition wall cavities and/or its perimeter wall cavities may or may not be included. The Unit's balcony space may or may not be included.

SEE FOLLOWING PAGES FOR ORIGINAL CERTIFICATION

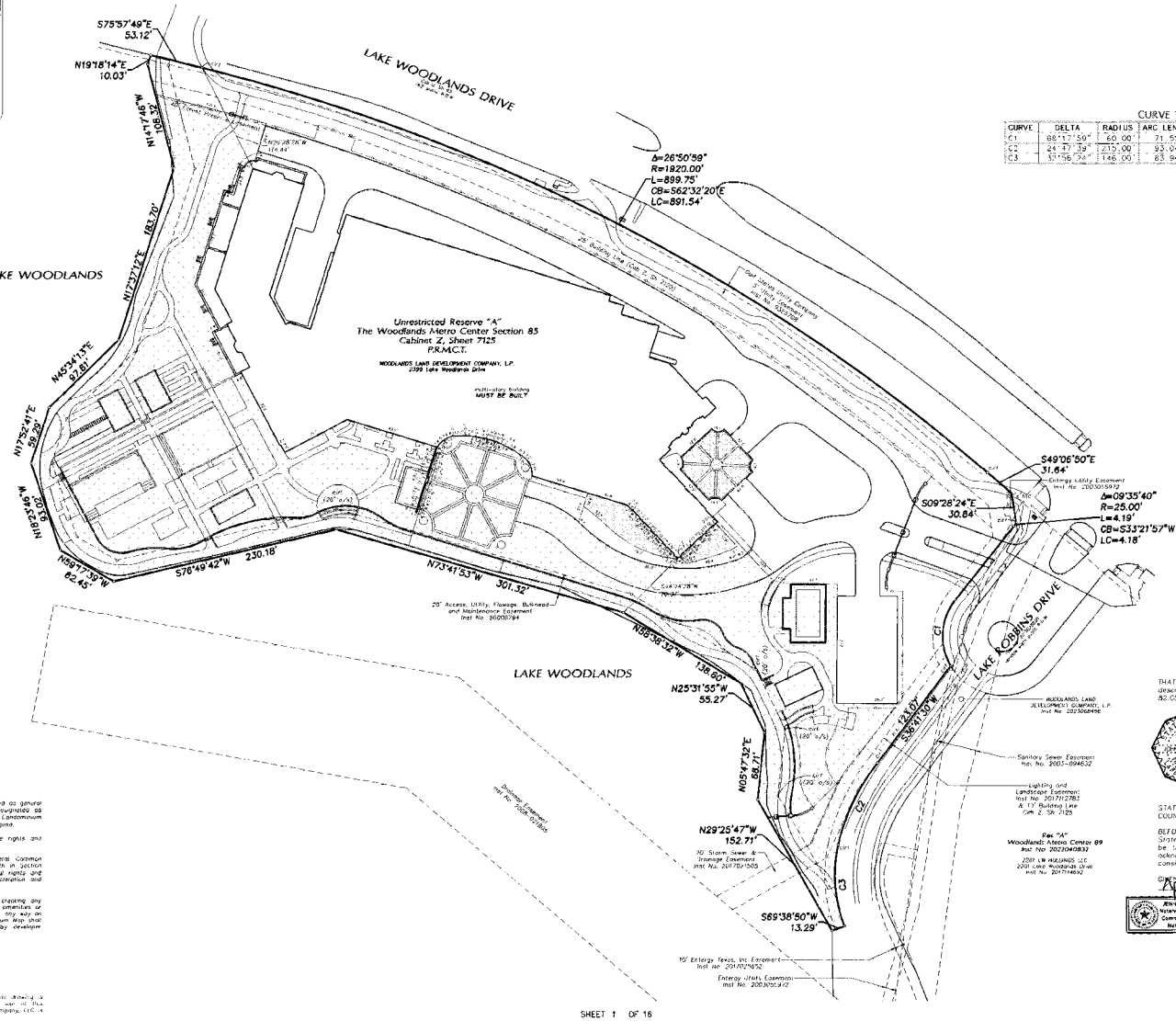
LAKEFRONT SOUTH CONDOMINIUMS
Site



VICINITY MAP

PROPERTY DESCRIPTION

BEING all of Unrestricted Reserve "A" of The Woodlands Metro Center Section 85 on addition to the City of the Woodlands according to the plat recorded in Cabinet Z, Sheet 7125 Plat Records, Montgomery County, Texas situated in the John Taylor Survey, Abstract Number 547, Montgomery County, Texas.



CURVE TABLE

CURVE	DELTA	RADIUS	ARC LENGTH	CHORD BEARING	CD. LENGTH
C1	88°17'59"	60.00'	71.59'	S 04°00'48" W	67.36'
C2	24°47'39"	210.00'	93.04'	S 25°25'10" W	92.32'
C3	37°56'24"	146.00'	83.94'	S 04°27'46" E	82.76'

0 50 100 feet
SCALE: 1" = 50'

Note:
Size of Map is based on 24"x 36" sheet.

--LEGEND--
- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

--LEGEND--
- water
- fence
- wall

NOTES:

cirf = 1/2" iron rod with yellow plastic cap stamped "LJA SURVEYING" found for corner

I' or interstitial space is assumed between levels.

1) All improvements and land reflected on the plat are designated as general common elements, save and except portions of the regime designated as limited common elements or units, (i) in the Declaration of Condominium Regime (the "Declaration") or (ii) on the plat and plans of the regime.

2) Ownership and use of condominium units is subject to the rights and restrictions contained in the Declaration.

3) The Units, Buildings, Limited Common Elements and General Common Elements are subject to all sewage declarant rights as set forth in section 82.150(a)(22) of the Texas Property Code and certain additional rights and reservations in favor of the Declarant as set forth in the Declaration and Appendix "A" attached thereto.

4) This map is not intended and shall not be interpreted as creating any obligation by developer to construct or install any improvements, amenities or facilities as may be depicted hereon, and no person shall rely in any way on any other detail or other matter depicted hereon. This Condominium Map shall not be deemed to contain any representation or warranty by developer whatsoever.

REV: 03/18/2025
DATE: 11/20/2023
JOB #: 23027

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SURVEYOR'S DECLARATION

THAT I, JOHN R. PIBURN, JR., do hereby certify that the map and property description contained herein contain all information required by Section 82.059 of the Texas Property Code.

John R. Piburn, Jr., R.P.L.S.
Registration No. 3689

STATE OF TEXAS:
COUNTY OF DALLAS:

BEFORE ME, the undersigned, a Notary Public in and for said County and State on this day personally appeared John R. Piburn, Jr., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 10th day of April, 2026.

JENNIFER WHITTINGTON
Notary Public, State of Texas
Comm. Expires 04-13-2028
Notary ID 126378249

Jennifer Whittington
NOTARY PUBLIC, DALLAS COUNTY, TEXAS
MY COMMISSION EXPIRES 4/13/2028

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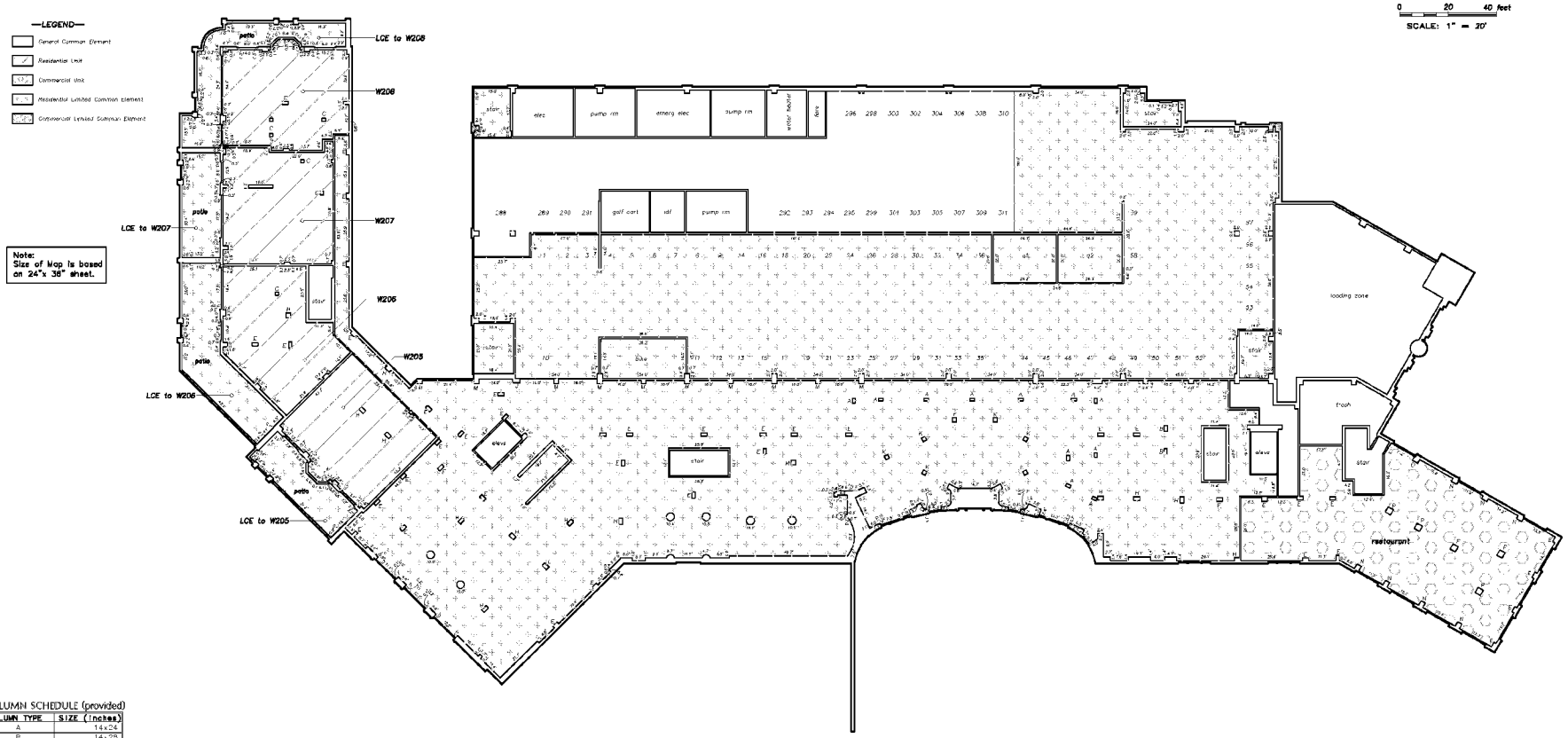
Surveying Firm #100971-00

LAKEFRONT SOUTH CONDOMINIUMS
Level 1



COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	18
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	26x30
P	30x30
Q	32x30
R	64x30

REV: 03/18/2026
DATE: 11/20/2023
JOB# 23027

SHEET 2 OF 16

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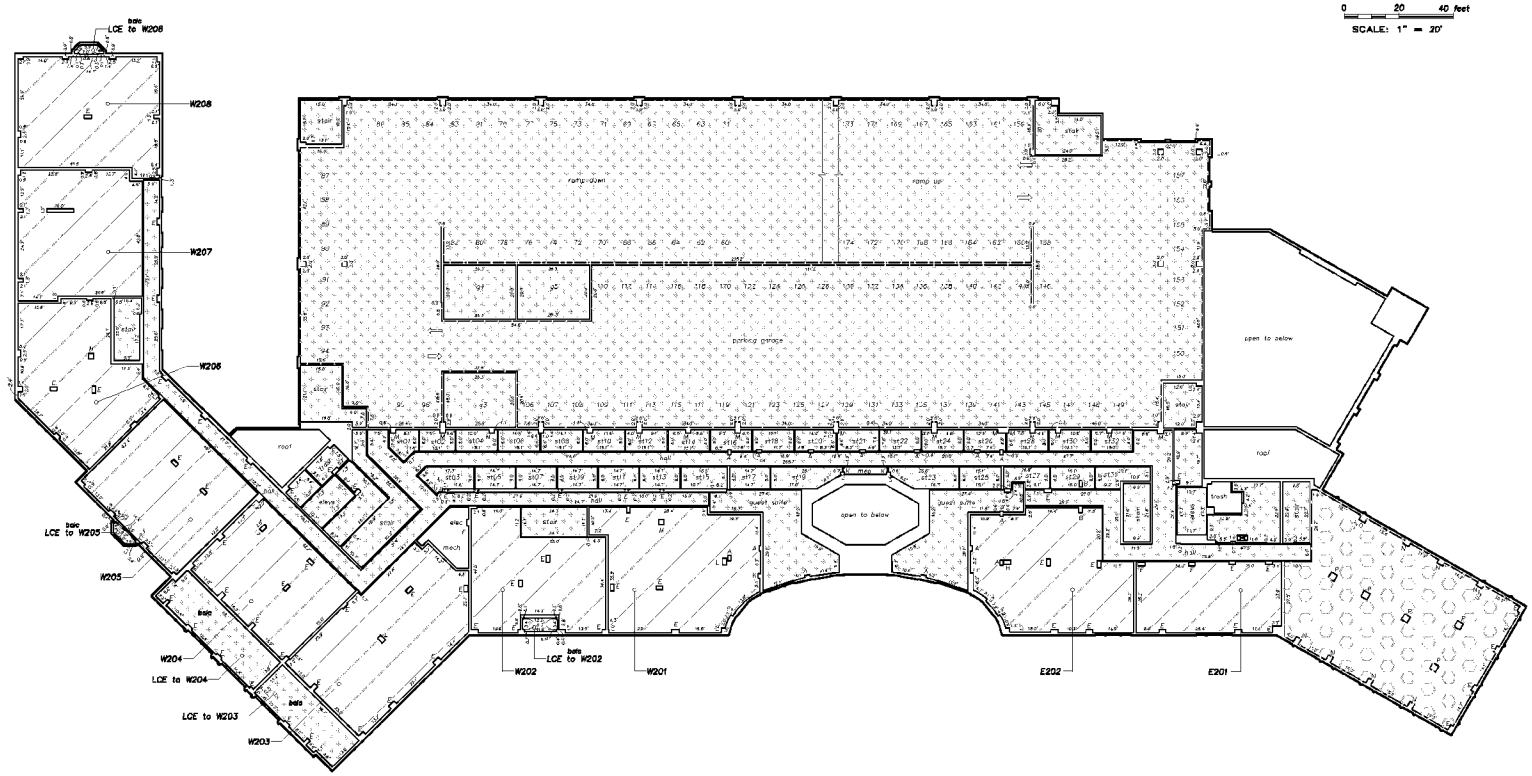
LAKEFRONT SOUTH CONDOMINIUMS
Level 2



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N	24x30
O	26x30
P	30x30
Q	32x30
R	64x30

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SHEET J OF 16

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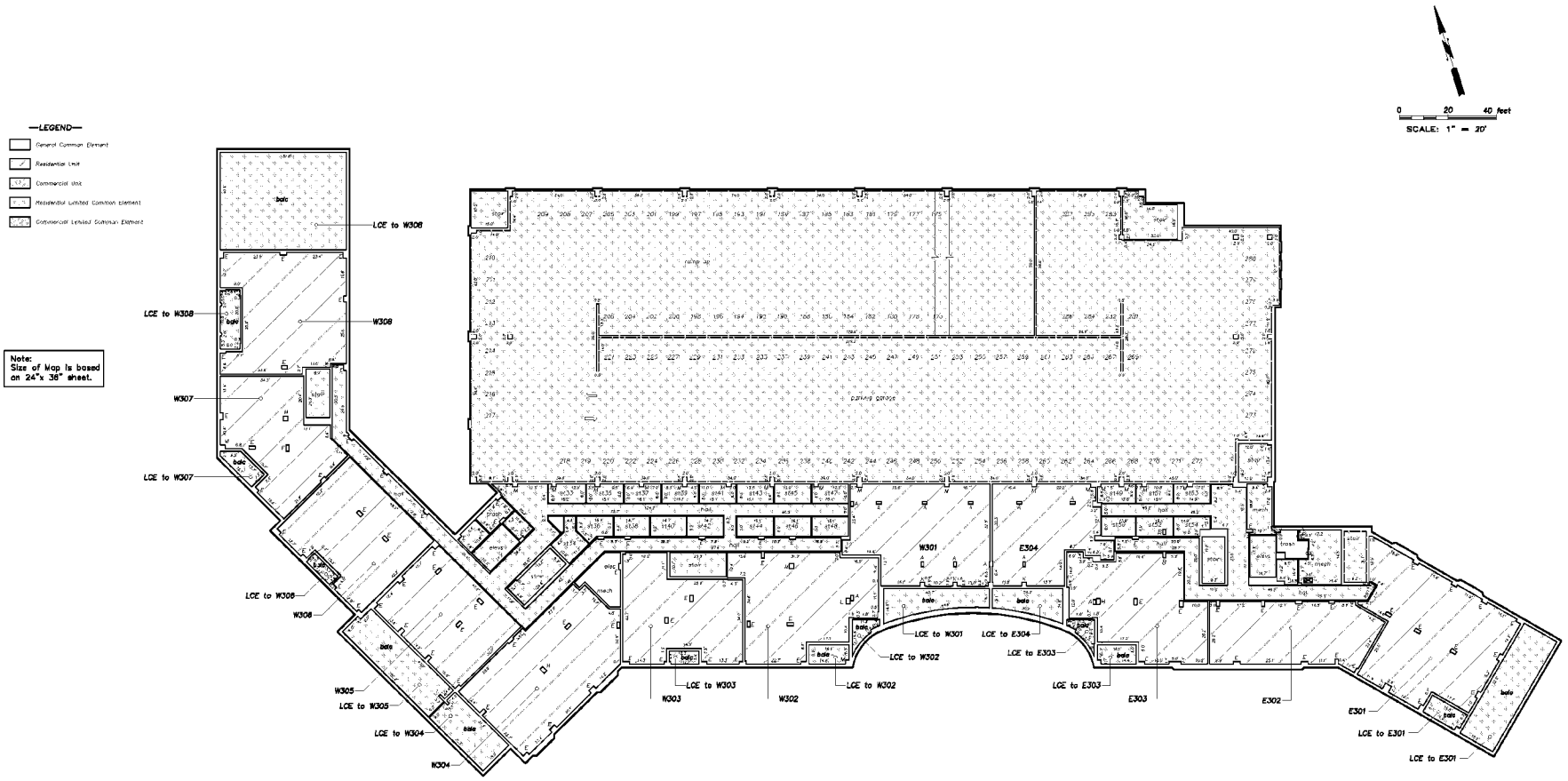
LAKEFRONT SOUTH CONDOMINIUMS
Level 3



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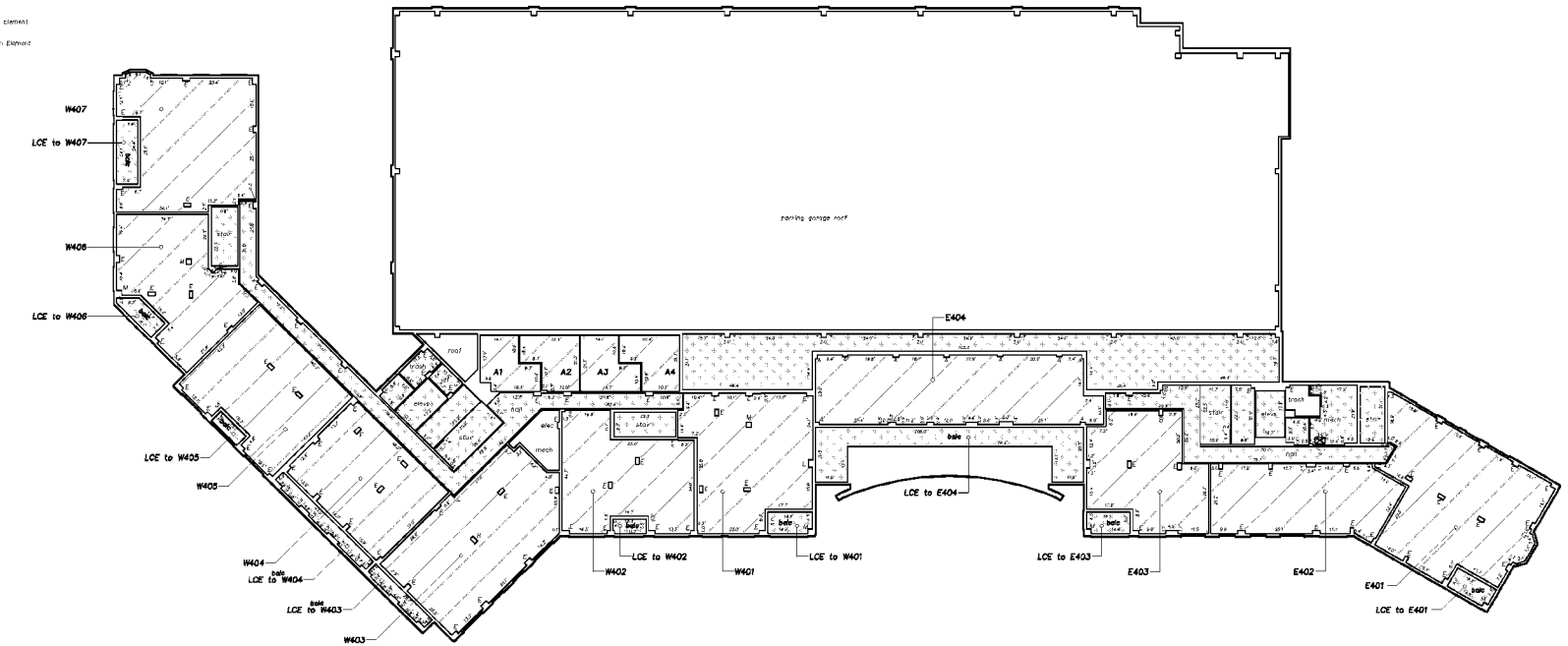
LAKEFRONT SOUTH CONDOMINIUMS
Level 4

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.

0 20 40 feet
SCALE: 1" = 20'



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M	24x24
N	24x30
O	26x30
P	30x30
Q	32x30
R	64x30

A1–A4 are auxiliary units.

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SHEET 5 OF 16

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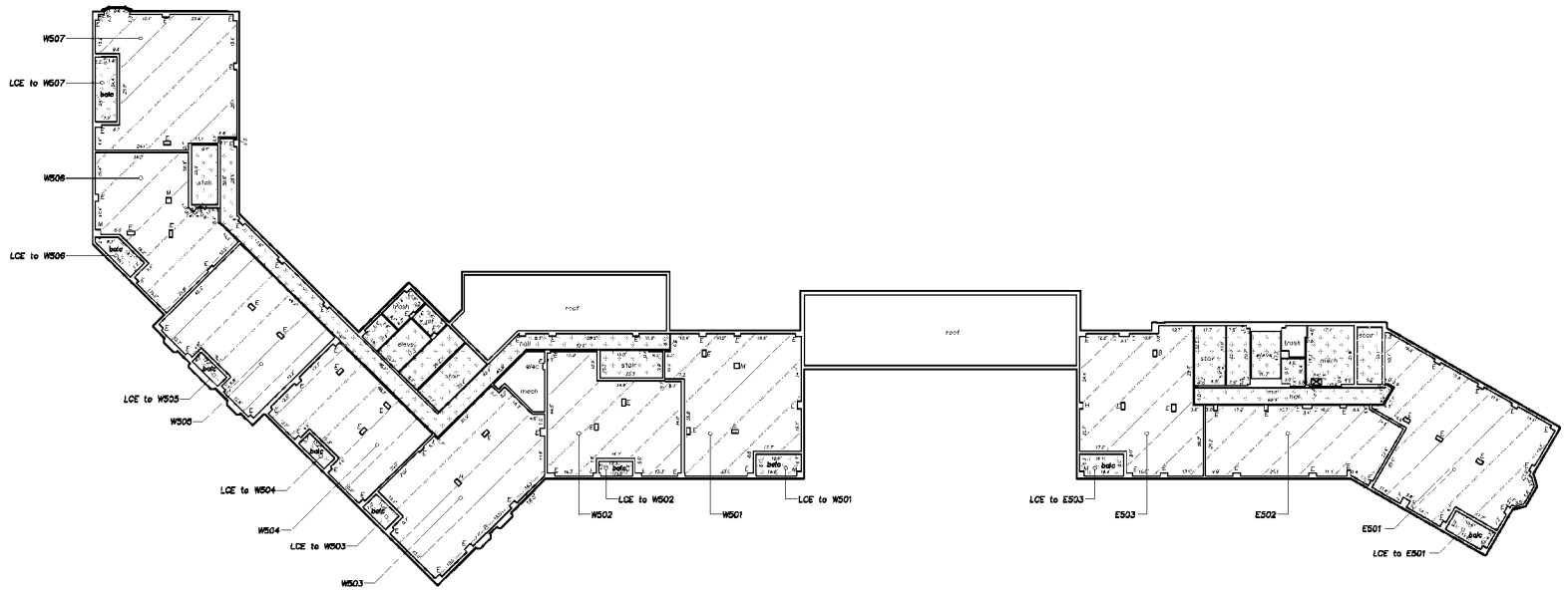
LAKEFRONT SOUTH CONDOMINIUMS
Level 5

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

0 20 40 feet
SCALE: 1" = 20'

Note:
Size of Map is based on 24"x 36" sheet.



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P	30x30
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SHEET 6 OF 16

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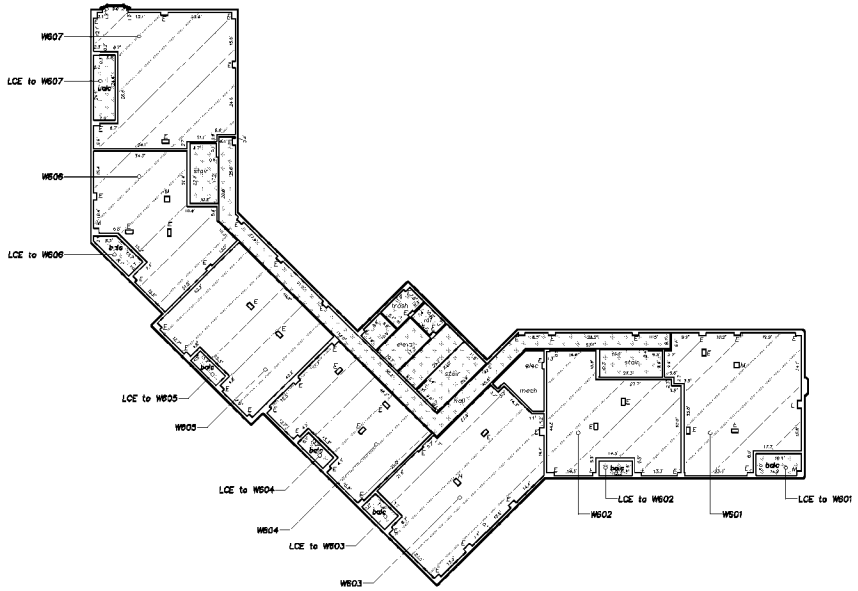
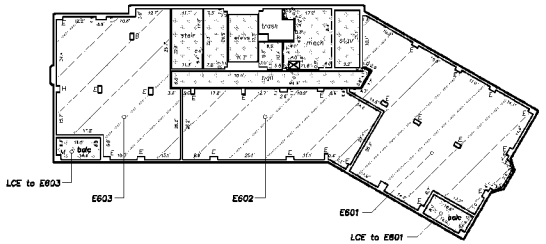
LAKEFRONT SOUTH CONDOMINIUMS
Level 6

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.





0 20 40 feet
SCALE: 1" = 20'

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M	24x24
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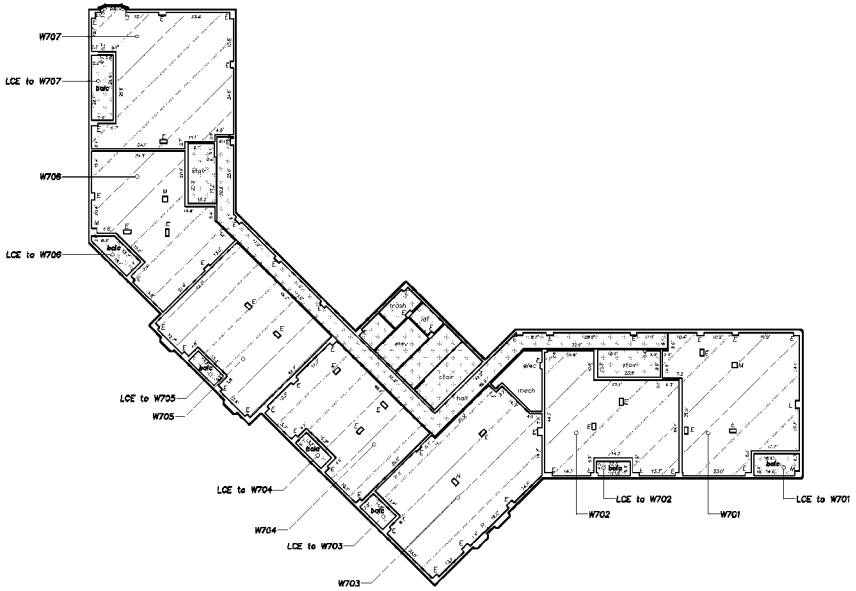
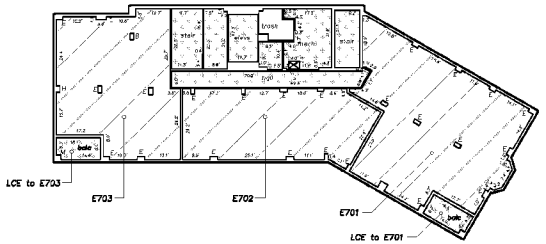
LAKEFRONT SOUTH CONDOMINIUMS
Level 7

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.





0 20 40 feet
SCALE: 1" = 20'

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P	30x30
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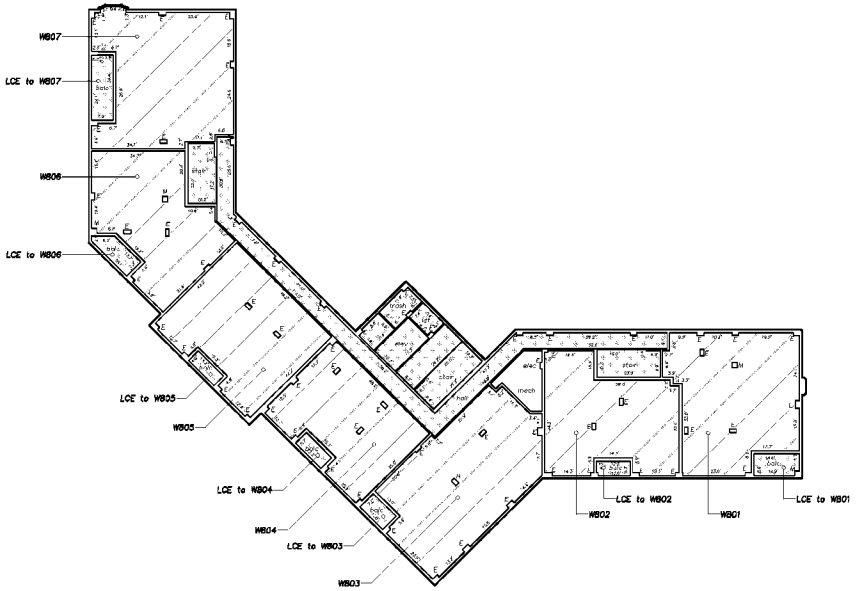
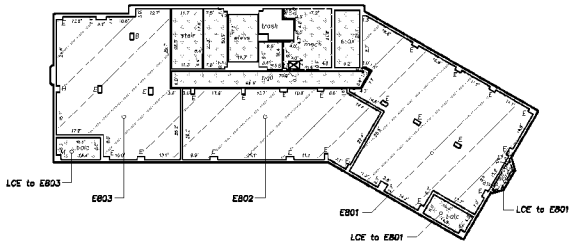
LAKEFRONT SOUTH CONDOMINIUMS
Level 8

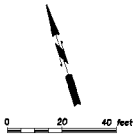
—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.







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P	30x30
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SHEET 9 OF 16

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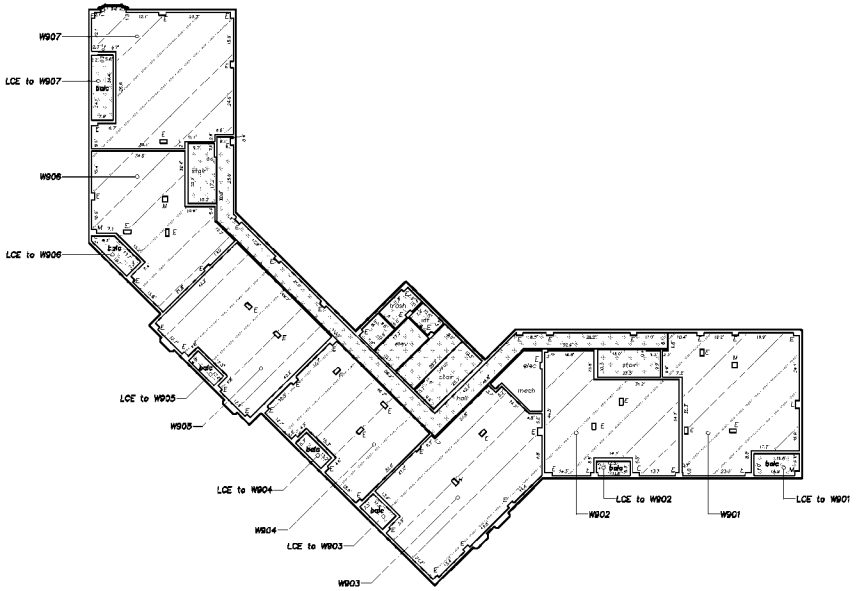
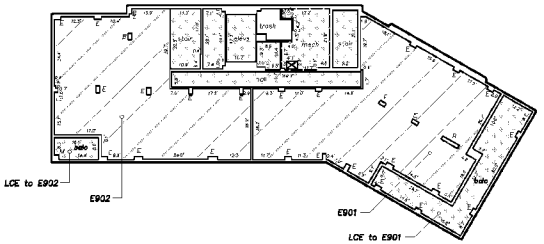
LAKEFRONT SOUTH CONDOMINIUMS
Level 9

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.





0 20 40 feet
SCALE: 1" = 20'

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O	26x30
P	30x30
Q	32x30
R	64x30

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SHEET 10 OF 16

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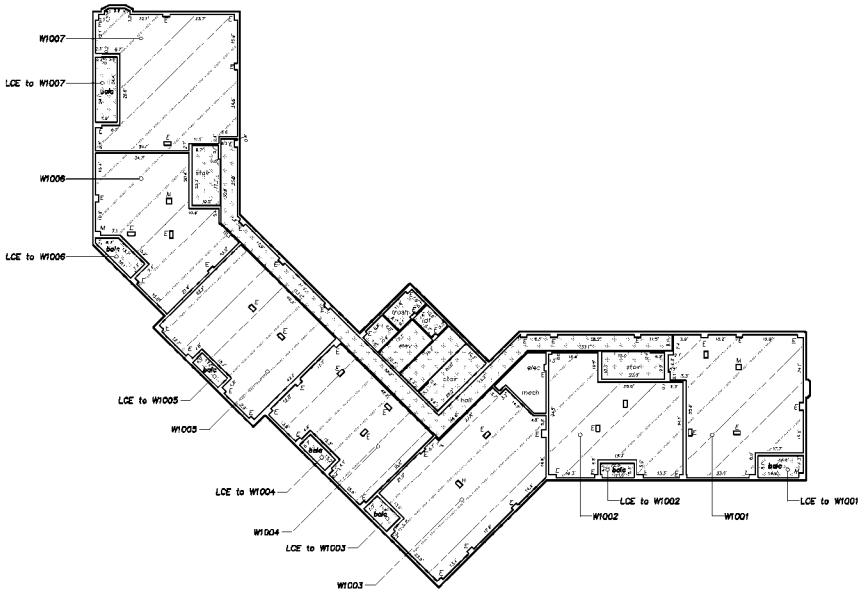
Surveying Firm #100871-00

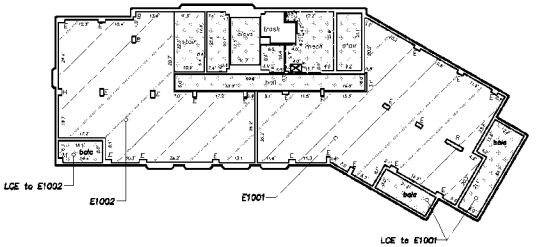
LAKEFRONT SOUTH CONDOMINIUMS
Level 10

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.





0 20 40 feet
SCALE: 1" = 20'

COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	18
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	26x30
P	30x30
Q	32x30
R	64x30

REV: 03/18/2026
DATE: 11/20/2023
JOB# 23027

SHEET 11 OF 16

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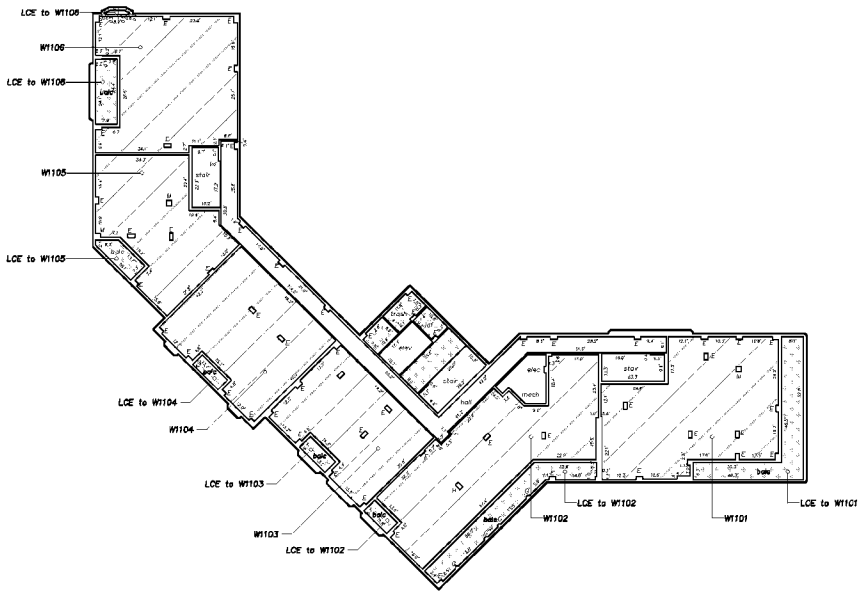
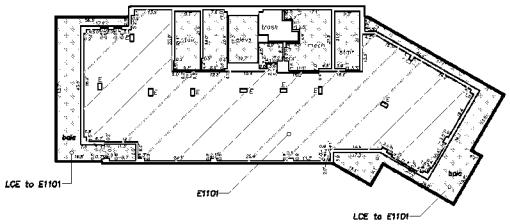
LAKEFRONT SOUTH CONDOMINIUMS
Level 11

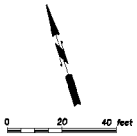
—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.







COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	18
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	26x30
P	30x30
Q	32x30
R	64x30

REV: 03/18/2026
DATE: 11/20/2023
JOB# 23027

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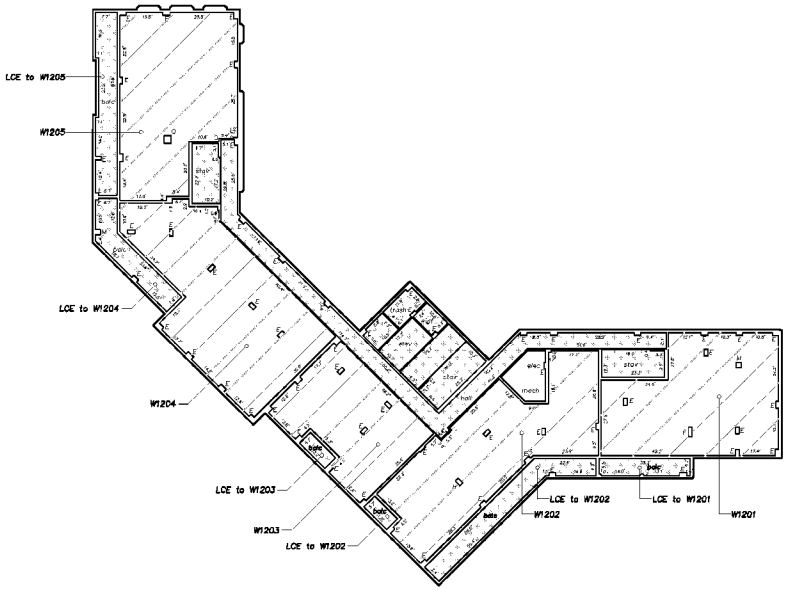
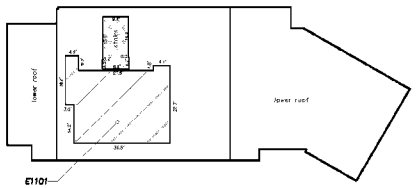
LAKEFRONT SOUTH CONDOMINIUMS
Level 12

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.





0 20 40 feet
SCALE: 1" = 20'

COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	18
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	26x30
P	30x30
Q	32x30
R	64x30

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DATE: 11/20/2023
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SHEET 13 OF 16

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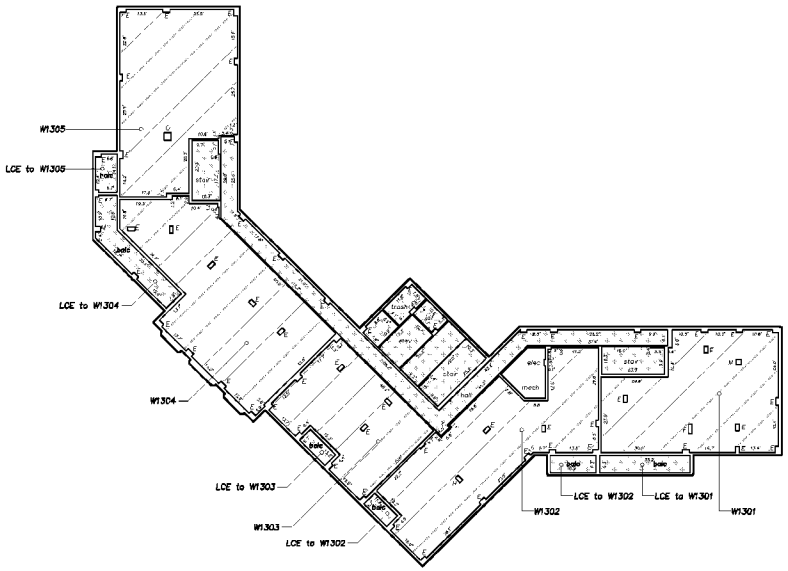
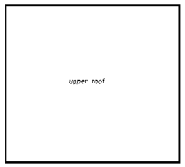
LAKEFRONT SOUTH CONDOMINIUMS
Level 13

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.





0 20 40 feet
SCALE: 1" = 20'

COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	18
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	26x30
P	30x30
Q	32x30
R	64x30

REV: 03/18/2026
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SHEET 14 OF 16

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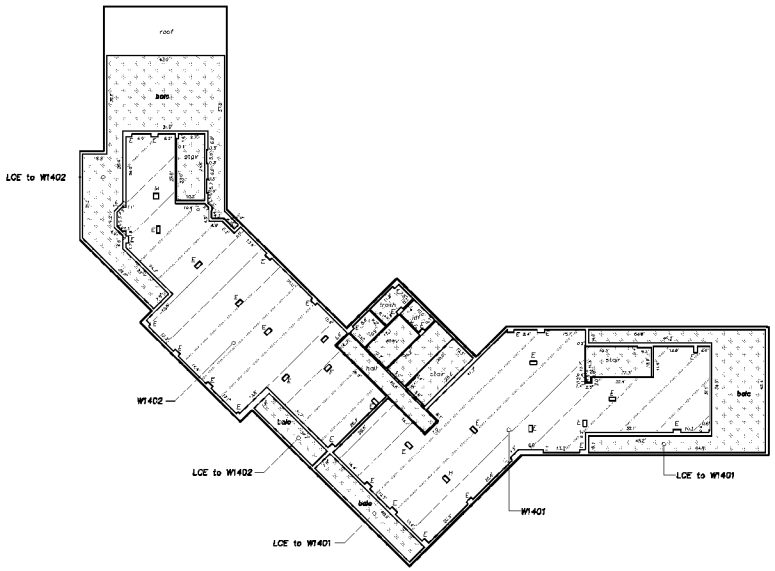
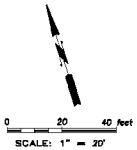
LAKEFRONT SOUTH CONDOMINIUMS
Level 14

—LEGEND—

- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

Note:
Size of Map is based on 24"x 36" sheet.





COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
G	18
H	18x30
J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	26x30
P	30x30
Q	32x30
R	64x30

REV: 03/18/2026
DATE: 11/20/2023
JOB# 23027

SHEET 15 OF 16

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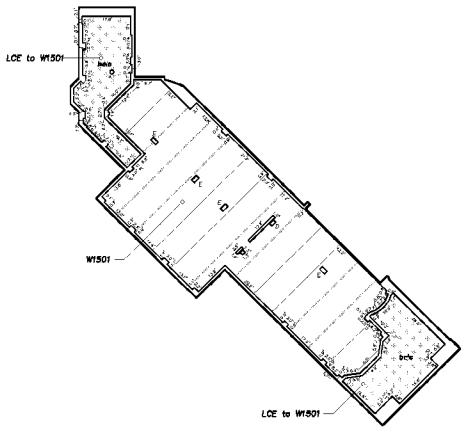
LAKEFRONT SOUTH CONDOMINIUMS
Levels 15, 16, Lower & Upper Roof

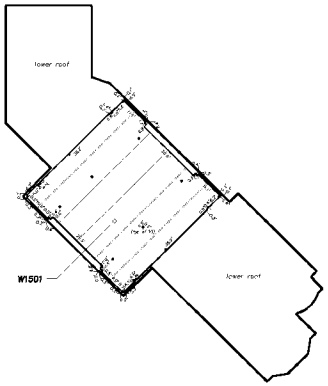
—LEGEND—

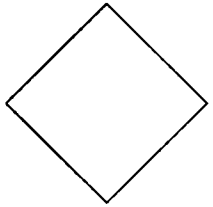
- General Common Element
- Residential Unit
- Commercial Unit
- Residential Limited Common Element
- Commercial Limited Common Element

0 20 40 feet
SCALE: 1" = 20'

Note:
Size of Map is based on 24"x 36" sheet.







COLUMN SCHEDULE (provided)

COLUMN TYPE	SIZE (Inches)
A	14x24
B	14x28
C	16x16
D	16x24
E	16x30
F	16x42
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J	18x36
K	20x20
L	20x30
M	24x24
N	24x30
O	26x30
P	30x30
Q	32x30
R	64x30

01 LEVEL 15
SCALE: 1" = 20'

02 LEVEL 16 & LOWER ROOF
SCALE: 1" = 20'

03 UPPER ROOF
SCALE: 1" = 20'

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SHEET 16 OF 16

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ATTACHMENT 2

COMMON INTEREST ALLOCATION, RESIDENTIAL LCE ALLOCATION, COMMERCIAL LCE ALLOCATION, COMMERCIAL UNIT SERVICES EXPENSE ALLOCATION AND ALLOCATION OF PROPERTY INSURANCE PREMIUMS

Any obligations or rights, including Assessment charges or credits calculated or determined based on the Common Interest Allocation, Residential LCE Allocation or Commercial LCE Allocation which are not allocable to a particular Unit due to a rounding error, will be equally apportioned among all Units within the Regime.

THE COMMON INTEREST ALLOCATION, RESIDENTIAL LCE ALLOCATION AND COMMERCIAL LCE ALLOCATION ASSIGNED TO A PARTICULAR UNIT WILL CHANGE IF ADDITIONAL UNITS ARE CREATED AND ADDED TO THE REGIME BY DECLARANT.

Unit Number	Common Interest Allocation	Residential LCE Allocation	Commercial LCE Allocation	Commercial Unit Services Expense Allocation	Allocation of Property Insurance Premiums
A1	0.1357%	0.1406%	0.00%	0.869565%	0.1374%
A2	0.1404%	0.1455%	0.00%	0.869565%	0.1422%
A3	0.1408%	0.1459%	0.00%	0.869565%	0.1425%
A4	0.1408%	0.1459%	0.00%	0.869565%	0.1425%
E201	0.4991%	0.5173%	0.00%	0.869565%	0.5053%
E202	0.8392%	0.8698%	0.00%	0.869565%	0.8496%
W201	0.8894%	0.9218%	0.00%	0.869565%	0.9005%
W202	0.6668%	0.6911%	0.00%	0.869565%	0.6751%
W203	0.9116%	0.9448%	0.00%	0.869565%	0.9229%
W204	0.6617%	0.6858%	0.00%	0.869565%	0.6699%
W205	1.5537%	1.6103%	0.00%	0.869565%	1.5730%
W206	1.5035%	1.5583%	0.00%	0.869565%	1.5221%
W207	1.5413%	1.5975%	0.00%	0.869565%	1.5604%
W208	1.5454%	1.6016%	0.00%	0.869565%	1.5645%
E301	1.0150%	1.0519%	0.00%	0.869565%	1.0275%
E302	0.6333%	0.6564%	0.00%	0.869565%	0.6412%
E303	0.7312%	0.7578%	0.00%	0.869565%	0.7403%
E304	0.6162%	0.6387%	0.00%	0.869565%	0.6239%
W301	0.8302%	0.8604%	0.00%	0.869565%	0.8404%
W302	0.7960%	0.8250%	0.00%	0.869565%	0.8058%
W303	0.6668%	0.6911%	0.00%	0.869565%	0.6751%
W304	0.9116%	0.9448%	0.00%	0.869565%	0.9229%
W305	0.6592%	0.6832%	0.00%	0.869565%	0.6673%
W306	0.7367%	0.7635%	0.00%	0.869565%	0.7458%

W307	0.6617%	0.6858%	0.00%	0.869565%	0.6699%
W308	0.8374%	0.8679%	0.00%	0.869565%	0.8478%
E401	1.0324%	1.0700%	0.00%	0.869565%	1.0452%
E402	0.6330%	0.6560%	0.00%	0.869565%	0.6408%
E403	0.6122%	0.6345%	0.00%	0.869565%	0.6198%
E404	0.9724%	1.0078%	0.00%	0.869565%	0.9844%
W401	0.7989%	0.8280%	0.00%	0.869565%	0.8088%
W402	0.6668%	0.6911%	0.00%	0.869565%	0.6751%
W403	0.9113%	0.9445%	0.00%	0.869565%	0.9226%
W404	0.6595%	0.6836%	0.00%	0.869565%	0.6677%
W405	0.7367%	0.7635%	0.00%	0.869565%	0.7458%
W406	0.6610%	0.6851%	0.00%	0.869565%	0.6692%
W407	0.8429%	0.8736%	0.00%	0.869565%	0.8533%
E501	1.0302%	1.0678%	0.00%	0.869565%	1.0430%
E502	0.6330%	0.6560%	0.00%	0.869565%	0.6408%
E503	0.7840%	0.8125%	0.00%	0.869565%	0.7937%
W501	0.7978%	0.8268%	0.00%	0.869565%	0.8077%
W502	0.6665%	0.6907%	0.00%	0.869565%	0.6747%
W503	0.8716%	0.9034%	0.00%	0.869565%	0.8824%
W504	0.6224%	0.6451%	0.00%	0.869565%	0.6301%
W505	0.7367%	0.7635%	0.00%	0.869565%	0.7458%
W506	0.6603%	0.6843%	0.00%	0.869565%	0.6684%
W507	0.8432%	0.8740%	0.00%	0.869565%	0.8537%
E601	1.0295%	1.0670%	0.00%	0.869565%	1.0423%
E602	0.6333%	0.6564%	0.00%	0.869565%	0.6412%
E603	0.7840%	0.8125%	0.00%	0.869565%	0.7937%
W601	0.7989%	0.8280%	0.00%	0.869565%	0.8088%
W602	0.6643%	0.6885%	0.00%	0.869565%	0.6725%
W603	0.8716%	0.9034%	0.00%	0.869565%	0.8824%
W604	0.6235%	0.6462%	0.00%	0.869565%	0.6312%
W605	0.7367%	0.7635%	0.00%	0.869565%	0.7458%
W606	0.6614%	0.6854%	0.00%	0.869565%	0.6695%
W607	0.8418%	0.8725%	0.00%	0.869565%	0.8522%
E701	1.0295%	1.0670%	0.00%	0.869565%	1.0423%
E702	0.6333%	0.6564%	0.00%	0.869565%	0.6412%
E703	0.7840%	0.8125%	0.00%	0.869565%	0.7937%
W701	0.7978%	0.8268%	0.00%	0.869565%	0.8077%
W702	0.6657%	0.6900%	0.00%	0.869565%	0.6740%
W703	0.8713%	0.9030%	0.00%	0.869565%	0.8820%
W704	0.6232%	0.6459%	0.00%	0.869565%	0.6309%
W705	0.7367%	0.7635%	0.00%	0.869565%	0.7458%
W706	0.6614%	0.6854%	0.00%	0.869565%	0.6695%
W707	0.8418%	0.8725%	0.00%	0.869565%	0.8522%
E801	1.0153%	1.0523%	0.00%	0.869565%	1.0279%

E802	0.6333%	0.6564%	0.00%	0.869565%	0.6412%
E803	0.7840%	0.8125%	0.00%	0.869565%	0.7937%
W801	0.7985%	0.8276%	0.00%	0.869565%	0.8084%
W802	0.6639%	0.6881%	0.00%	0.869565%	0.6721%
W803	0.8742%	0.9060%	0.00%	0.869565%	0.8850%
W804	0.6232%	0.6459%	0.00%	0.869565%	0.6309%
W805	0.7367%	0.7635%	0.00%	0.869565%	0.7458%
W806	0.6614%	0.6854%	0.00%	0.869565%	0.6695%
W807	0.8418%	0.8725%	0.00%	0.869565%	0.8522%
E901	1.1652%	1.2076%	0.00%	0.869565%	1.1796%
E902	1.0415%	1.0794%	0.00%	0.869565%	1.0544%
W901	0.7970%	0.8261%	0.00%	0.869565%	0.8069%
W902	0.6672%	0.6915%	0.00%	0.869565%	0.6754%
W903	0.8742%	0.9060%	0.00%	0.869565%	0.8850%
W904	0.6232%	0.6459%	0.00%	0.869565%	0.6309%
W905	0.7367%	0.7635%	0.00%	0.869565%	0.7458%
W906	0.6621%	0.6862%	0.00%	0.869565%	0.6703%
W907	0.8422%	0.8728%	0.00%	0.869565%	0.8526%
E1001	1.1663%	1.2088%	0.00%	0.869565%	1.1807%
E1002	1.0419%	1.0798%	0.00%	0.869565%	1.0548%
W1001	0.7927%	0.8216%	0.00%	0.869565%	0.8025%
W1002	0.6661%	0.6903%	0.00%	0.869565%	0.6743%
W1003	0.8731%	0.9049%	0.00%	0.869565%	0.8839%
W1004	0.6235%	0.6462%	0.00%	0.869565%	0.6312%
W1005	0.7367%	0.7635%	0.00%	0.869565%	0.7458%
W1006	0.6621%	0.6862%	0.00%	0.869565%	0.6703%
W1007	0.8422%	0.8728%	0.00%	0.869565%	0.8526%
E1101	2.2253%	2.3063%	0.00%	0.869565%	2.2528%
W1101	0.9873%	1.0233%	0.00%	0.869565%	0.9995%
W1102	0.9735%	1.0089%	0.00%	0.869565%	0.9855%
W1103	0.6232%	0.6459%	0.00%	0.869565%	0.6309%
W1104	0.7367%	0.7635%	0.00%	0.869565%	0.7458%
W1105	0.6621%	0.6862%	0.00%	0.869565%	0.6703%
W1106	0.8363%	0.8668%	0.00%	0.869565%	0.8467%
W1201	0.9065%	0.9396%	0.00%	0.869565%	0.9178%
W1202	0.9760%	1.0116%	0.00%	0.869565%	0.9881%
W1203	0.6250%	0.6477%	0.00%	0.869565%	0.6327%
W1204	1.1121%	1.1526%	0.00%	0.869565%	1.1259%
W1205	0.9327%	0.9667%	0.00%	0.869565%	0.9443%
W1301	0.9018%	0.9347%	0.00%	0.869565%	0.9130%
W1302	0.9760%	1.0116%	0.00%	0.869565%	0.9881%
W1303	0.6232%	0.6459%	0.00%	0.869565%	0.6309%
W1304	1.1157%	1.1564%	0.00%	0.869565%	1.1295%
W1305	0.9313%	0.9652%	0.00%	0.869565%	0.9428%

W1401	1.7654%	1.8297%	0.00%	0.869565%	1.7873%
W1402	1.7131%	1.7755%	0.00%	0.869565%	1.7343%
W1501	2.6894%	2.7874%	0.00%	0.869565%	2.7227%
Commercial Unit	3.5145%	0.0000%	100.00%	0.00%	2.3200%

Doc #: 2026039912
Pages 26

E-FILED FOR RECORD
04/21/2026 04:25PM



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

04/21/2026



AFTER RECORDING RETURN TO:

ROBERT D. BURTON, ESQ.
PRESTON A. PATTEN, ESQ.
WINSTEAD PC
600 W. 5TH STREET, SUITE 900
AUSTIN, TEXAS 78701

SECOND AMENDMENT TO DECLARATION OF CONDOMINIUM REGIME FOR LAKEFRONT SOUTH CONDOMINIUMS

(A Condominium Community in Montgomery County, Texas)

Declarant: **LAKEFRONT SOUTH CONDOS, LLC,** a Delaware limited liability company

Cross reference to Declaration of Condominium Regime for Lakefront South Condominiums, recorded as Document No. 2024118333 in the Official Public Records of Montgomery County, Texas.

SECOND AMENDMENT TO DECLARATION OF CONDOMINIUM REGIME FOR LAKEFRONT SOUTH CONDOMINIUMS

This Second Amendment to Declaration of Condominium Regime for Lakefront South Condominiums (this "**Amendment**") is made by **LAKEFRONT SOUTH CONDOMINIUM COMMUNITY, INC.**, a Texas nonprofit corporation (the "**Association**"), and is as follows:

RECITALS:

A. **LAKEFRONT SOUTH CONDOS, LLC**, a Delaware limited liability company ("**Declarant**"), previously executed and recorded that certain Declaration of Condominium Regime for Lakefront South Condominiums, recorded as Document No. 2024118333 in the Official Public Records of Montgomery County, Texas, as amended by that certain First Amendment to Declaration of Condominium Regime for Lakefront South Condominiums, recorded as Document No. 2026039912 in the Official Public Records of Montgomery County, Texas (collectively, the "**Declaration**").

B. Pursuant to *Section 18.1* of the Declaration, the Declaration may be amended by Owners representing at least sixty-seven percent (67%) of the votes in the Association. Declarant is currently the Owner of all the Units in the Regime and therefore has one hundred percent (100%) of the votes in the Association.

C. The Association, with the approval of the Declarant, as the Owner of all the Units in the Regime, now desires to amend the Declaration as provided herein.

NOW THEREFORE, the Declaration is hereby amended as follows:

1. **Condominium Management Agreement.** *Section 22.1* of the Declaration, entitled "Condominium Management Agreement", is hereby deleted in its entirety and replaced with the following:

> 22.1 **Condominium Management Agreement**. Declarant, on behalf of the Association, intends to enter into a condominium management agreement (the "**Condominium Management Agreement**") for the management of the Regime with a condominium manager (the "**Condominium Manager**"). Under the terms of the Condominium Management Agreement, the Condominium may be known under a branded name or marks affiliated with the Condominium Manager or such other name as may be approved by the Association and the Condominium Manager (the "**Branded Name**") for so long as the Condominium Management Agreement is in effect. During the term of the Condominium Management Agreement, at least once every three (3) years, the Board shall cause to be conducted a visual inspection of the accessible areas of the General Common Elements and other major components that the Association is obligated

to restore or maintain under the terms of this Declaration or the Community Manual as a part of a required reserve study every three (3) years during the term of the Condominium Management Agreement. The Board shall review the most current reserve study annually and shall consider and implement necessary adjustments to the Board's analysis of the reserve account requirements as a result of such review. During the time that the Condominium is known under a Branded Name, the Condominium will be managed, operated, maintained and repaired, and services will be provided, in accordance with the standards associated with the Branded Name as established under the Condominium Management Agreement (the "**Brand Standard**"). The Association will prepare the annual Budget in accordance with the Brand Standard.

2. **Effect of Amendment.** Any capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Declaration. Unless expressly amended by this Amendment, all other terms and provisions of the Declaration remain in full force and effect as written and are hereby ratified and confirmed.

[SIGNATURE PAGE TO FOLLOW]

Executed to be effective on September 30, 2026.

ASSOCIATION:

LAKEFRONT SOUTH CONDOMINIUM COMMUNITY, INC., a Texas nonprofit corporation

By: _____
Printed Name: BRANDON HINMAN
Title: DIRECTOR, DEVELOPMENT

THE STATE OF TEXAS §
§
COUNTY OF Montgomery §

This instrument was acknowledged before me this 30th day of September, 2026, by Brandon Hinman, director, development of **LAKEFRONT SOUTH CONDOMINIUM COMMUNITY, INC.**, a Texas nonprofit corporation, on behalf of such entity.

(SEAL)

_____
Notary Public Signature

MARIA HAUSSLER
Notary ID #133266419
My Commission Expires
August 12, 2029

APPROVED BY DECLARANT AS OWNER OF ALL UNITS:

LAKEFRONT SOUTH CONDOS, LLC,
a Delaware ~~limited liability~~ company

By: _____
Printed Name: David ~~Major~~
Title: Vice President

THE STATE OF ~~TEXAS~~ Hawaii §
§
COUNTY OF Honolulu §

This instrument was acknowledged before me this 1st day of October, 2026, by David Mayer, Vice President of LAKEFRONT SOUTH CONDOS, LLC, a Delaware limited liability company, on behalf of such entity.

(SEAL)

TRACEY K. MORISUGI NOTARY PUBLIC 14-314 STATE OF HAWAII

_____
Notary Public Signature

Document Date: 10/1/26 #Pages: 5
Notary Name: TRACEY K. MORISUGI First Circuit
Doc. Description: Second Amendment to Declaration of Condominium Regime for Lakefront South Condominiums
_____ 10.1.26
Notary Signature Date
NOTARY CERTIFICATION

TRACEY K. MORISUGI NOTARY PUBLIC 14-314 STATE OF HAWAII

MY COMMISSION EXPIRES: 9/14/2030

Doc #: 2026105935
Pages 6

E-FILED FOR RECORD
10/02/2026 03:56PM



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

10/02/2026



EXHIBIT "B"

ALLOCATION DOCUMENT

AFTER RECORDING RETURN TO:

ROBERT D. BURTON, ESQ.
PRESTON A. PATTEN, ESQ.
WINSTEAD PC
600 W. 5TH STREET, SUITE 900
AUSTIN, TEXAS 78701
EMAIL: RBURTON@WINSTEAD.COM

LAKEFRONT SOUTH CONDOMINIUMS
ALLOCATION DOCUMENT

This document is that certain Lakefront South Condominiums Allocation Document (this "**Allocation Document**") described in the Declaration of Condominium Regime for Lakefront South Condominiums, recorded as Document No. 2024118333, of the Official Public Records of Montgomery County, Texas (the "**Declaration**"), made and established on November 25, 2024, by **LAKEFRONT SOUTH CONDOS, LLC**, as Declarant therein. All terms which are capitalized herein but not defined herein shall have those meanings ascribed to them in the Declaration. This Allocation Document is incorporated by reference into the Declaration for all purposes, and shall set forth the percentages by which the following groups of Units share in the listed expenses in this Allocation Document: Residential Unit ("**RU**") and Commercial Unit ("**CU**"). All other Common Expenses not listed herein or in the Declaration shall be shared by the Owners in accordance with the Common Expense Liability, unless otherwise specified in the Declaration. This Allocation Document may be amended only as provided in the Declaration. All capitalized terms not defined herein shall have the meanings ascribed to them in the Declaration.

The remainder of this page intentionally left blank.

MAINTENANCE AND EXPENSE ALLOCATIONS

Item	Party Obligated to Contract and/or Undertake Maintenance	RU	CU
Maintenance, repair and replacement of the guard shack.	Association	50%	50%
Maintenance, repair and replacement of the General Common Element loading dock.	Association	30%	70%

IN WITNESS WHEREOF, Declarant has duly executed this Allocation Document on the 21 day of JULY, 2026.

DECLARANT:

Lakefront South Condos, LLC, a Delaware limited liability company

By: _____
Printed Name: Doug Johnstone
Title: Vice President

THE STATE OF ~~TEXAS~~ Hawaii §
§
COUNTY OF City and Honolulu §

This instrument was acknowledged before me this 21 day of JULY, 2026, by DOUG JOHNSTONE, VICE PRESIDENT of Lakefront South Condos, LLC, a Delaware limited liability company, on behalf of such company.

(SEAL)

TRACEY K. MORISUGI NOTARY PUBLIC 14-314 STATE OF HAWAII

_____
Notary Public Signature

Document Date: 7.21.26 #Pages: 3
Notary Name: TRACEY K. MORISUGI First Circuit
Doc. Description: Lakefront South Condominiums Allocation Document
_____ 7.21.26
Notary Signature Date
NOTARY CERTIFICATION

TRACEY K. MORISUGI NOTARY PUBLIC 14-314 STATE OF HAWAII

Doc #: 2026078211
Pages 4

E-FILED FOR RECORD
07/22/2026 02:53PM



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

07/22/2026



EXHIBIT "C"

UNITS, COMMON INTEREST ALLOCATIONS, ESTIMATED REGULAR ASSESSMENTS AND ESTIMATED RESIDENTIAL UNIT ASSESSMENTS

Unit Number	Common Interest Allocation	Residential LCE Allocation	Estimated Monthly Regular Assessments	Estimated Monthly Residential Unit Assessments	Estimated Monthly Commercial Unit Services Assessments
A1	0.1357%	0.1406%	$441.76	$67.79	$18.12
A2	0.1404%	0.1455%	$457.15	$70.15	$18.12
A3	0.1408%	0.1459%	$458.34	$70.33	$18.12
A4	0.1408%	0.1459%	$458.34	$70.33	$18.12
E201	0.4991%	0.5173%	$1,624.90	$249.33	$18.12
E202	0.8392%	0.8698%	$2,732.25	$419.25	$18.12
W201	0.8894%	0.9218%	$2,895.69	$444.33	$18.12
W202	0.6668%	0.6911%	$2,170.88	$333.11	$18.12
W203	0.9116%	0.9448%	$2,967.93	$455.42	$18.12
W204	0.6617%	0.6858%	$2,154.30	$330.57	$18.12
W205	1.5537%	1.6103%	$5,058.28	$776.17	$18.12
W206	1.5035%	1.5583%	$4,894.84	$751.09	$18.12
W207	1.5413%	1.5975%	$5,018.01	$769.99	$18.12
W208	1.5454%	1.6016%	$5,031.04	$771.99	$18.12
E301	1.0150%	1.0519%	$3,304.28	$507.03	$18.12
E302	0.6333%	0.6564%	$2,061.92	$316.39	$18.12
E303	0.7312%	0.7578%	$2,380.51	$365.28	$18.12
E304	0.6162%	0.6387%	$2,006.26	$307.85	$18.12
W301	0.8302%	0.8604%	$2,702.64	$414.71	$18.12
W302	0.7960%	0.8250%	$2,591.32	$397.63	$18.12
W303	0.6668%	0.6911%	$2,170.88	$333.11	$18.12
W304	0.9116%	0.9448%	$2,967.93	$455.42	$18.12
W305	0.6592%	0.6832%	$2,146.01	$329.30	$18.12
W306	0.7367%	0.7635%	$2,398.27	$368.00	$18.12
W307	0.6617%	0.6858%	$2,154.30	$330.57	$18.12
W308	0.8374%	0.8679%	$2,726.33	$418.34	$18.12
E401	1.0324%	1.0700%	$3,361.13	$515.75	$18.12
E402	0.6330%	0.6560%	$2,060.74	$316.21	$18.12
E403	0.6122%	0.6345%	$1,993.23	$305.85	$18.12
E404	0.9724%	1.0078%	$3,165.72	$485.77	$18.12
W401	0.7989%	0.8280%	$2,600.79	$399.08	$18.12
W402	0.6668%	0.6911%	$2,170.88	$333.11	$18.12
W403	0.9113%	0.9445%	$2,966.75	$455.24	$18.12
W404	0.6595%	0.6836%	$2,147.19	$329.48	$18.12

W405	0.7367%	0.7635%	$2,398.27	$368.00	$18.12
W406	0.6610%	0.6851%	$2,151.93	$330.20	$18.12
W407	0.8429%	0.8736%	$2,744.09	$421.07	$18.12
E501	1.0302%	1.0678%	$3,354.03	$514.66	$18.12
E502	0.6330%	0.6560%	$2,060.74	$316.21	$18.12
E503	0.7840%	0.8125%	$2,552.23	$391.63	$18.12
W501	0.7978%	0.8268%	$2,597.24	$398.54	$18.12
W502	0.6665%	0.6907%	$2,169.69	$332.93	$18.12
W503	0.8716%	0.9034%	$2,837.66	$435.43	$18.12
W504	0.6224%	0.6451%	$2,026.39	$310.94	$18.12
W505	0.7367%	0.7635%	$2,398.27	$368.00	$18.12
W506	0.6603%	0.6843%	$2,149.56	$329.84	$18.12
W507	0.8432%	0.8740%	$2,745.28	$421.25	$18.12
E601	1.0295%	1.0670%	$3,351.66	$514.30	$18.12
E602	0.6333%	0.6564%	$2,061.92	$316.39	$18.12
E603	0.7840%	0.8125%	$2,552.23	$391.63	$18.12
W601	0.7989%	0.8280%	$2,600.79	$399.08	$18.12
W602	0.6643%	0.6885%	$2,162.59	$331.84	$18.12
W603	0.8716%	0.9034%	$2,837.66	$435.43	$18.12
W604	0.6235%	0.6462%	$2,029.94	$311.49	$18.12
W605	0.7367%	0.7635%	$2,398.27	$368.00	$18.12
W606	0.6614%	0.6854%	$2,153.11	$330.39	$18.12
W607	0.8418%	0.8725%	$2,740.54	$420.52	$18.12
E701	1.0295%	1.0670%	$3,351.66	$514.30	$18.12
E702	0.6333%	0.6564%	$2,061.92	$316.39	$18.12
E703	0.7840%	0.8125%	$2,552.23	$391.63	$18.12
W701	0.7978%	0.8268%	$2,597.24	$398.54	$18.12
W702	0.6657%	0.6900%	$2,167.33	$332.57	$18.12
W703	0.8713%	0.9030%	$2,836.47	$435.25	$18.12
W704	0.6232%	0.6459%	$2,028.76	$311.30	$18.12
W705	0.7367%	0.7635%	$2,398.27	$368.00	$18.12
W706	0.6614%	0.6854%	$2,153.11	$330.39	$18.12
W707	0.8418%	0.8725%	$2,740.54	$420.52	$18.12
E801	1.0153%	1.0523%	$3,305.47	$507.21	$18.12
E802	0.6333%	0.6564%	$2,061.92	$316.39	$18.12
E803	0.7840%	0.8125%	$2,552.23	$391.63	$18.12
W801	0.7985%	0.8276%	$2,599.61	$398.90	$18.12
W802	0.6639%	0.6881%	$2,161.40	$331.66	$18.12
W803	0.8742%	0.9060%	$2,845.95	$436.70	$18.12
W804	0.6232%	0.6459%	$2,028.76	$311.30	$18.12
W805	0.7367%	0.7635%	$2,398.27	$368.00	$18.12
W806	0.6614%	0.6854%	$2,153.11	$330.39	$18.12
W807	0.8418%	0.8725%	$2,740.54	$420.52	$18.12

E901	1.1652%	1.2076%	$3,793.41	$582.08	$18.12
E902	1.0415%	1.0794%	$3,390.74	$520.30	$18.12
W901	0.7970%	0.8261%	$2,594.87	$398.17	$18.12
W902	0.6672%	0.6915%	$2,172.06	$333.29	$18.12
W903	0.8742%	0.9060%	$2,845.95	$436.70	$18.12
W904	0.6232%	0.6459%	$2,028.76	$311.30	$18.12
W905	0.7367%	0.7635%	$2,398.27	$368.00	$18.12
W906	0.6621%	0.6862%	$2,155.48	$330.75	$18.12
W907	0.8422%	0.8728%	$2,741.73	$420.71	$18.12
E1001	1.1663%	1.2088%	$3,796.97	$582.63	$18.12
E1002	1.0419%	1.0798%	$3,391.92	$520.48	$18.12
W1001	0.7927%	0.8216%	$2,580.66	$395.99	$18.12
W1002	0.6661%	0.6903%	$2,168.51	$332.75	$18.12
W1003	0.8731%	0.9049%	$2,842.39	$436.15	$18.12
W1004	0.6235%	0.6462%	$2,029.94	$311.49	$18.12
W1005	0.7367%	0.7635%	$2,398.27	$368.00	$18.12
W1006	0.6621%	0.6862%	$2,155.48	$330.75	$18.12
W1007	0.8422%	0.8728%	$2,741.73	$420.71	$18.12
E1101	2.2253%	2.3063%	$7,244.55	$1,111.65	$18.12
W1101	0.9873%	1.0233%	$3,214.27	$493.22	$18.12
W1102	0.9735%	1.0089%	$3,169.27	$486.31	$18.12
W1103	0.6232%	0.6459%	$2,028.76	$311.30	$18.12
W1104	0.7367%	0.7635%	$2,398.27	$368.00	$18.12
W1105	0.6621%	0.6862%	$2,155.48	$330.75	$18.12
W1106	0.8363%	0.8668%	$2,722.78	$417.80	$18.12
W1201	0.9065%	0.9396%	$2,951.35	$452.87	$18.12
W1202	0.9760%	1.0116%	$3,177.56	$487.58	$18.12
W1203	0.6250%	0.6477%	$2,034.68	$312.21	$18.12
W1204	1.1121%	1.1526%	$3,620.50	$555.55	$18.12
W1205	0.9327%	0.9667%	$3,036.62	$465.96	$18.12
W1301	0.9018%	0.9347%	$2,935.96	$450.51	$18.12
W1302	0.9760%	1.0116%	$3,177.56	$487.58	$18.12
W1303	0.6232%	0.6459%	$2,028.76	$311.30	$18.12
W1304	1.1157%	1.1564%	$3,632.34	$557.37	$18.12
W1305	0.9313%	0.9652%	$3,031.89	$465.23	$18.12
W1401	1.7654%	1.8297%	$5,747.56	$881.94	$18.12
W1402	1.7131%	1.7755%	$5,577.01	$855.77	$18.12
W1501	2.6894%	2.7874%	$8,755.76	$1,343.54	$18.12
Commercial Unit	3.5145%	0.0000%	$ 11,441.82	$0	$0

EXHIBIT "D"

LIMITED WARRANTY

SIGNED UPON CLOSING

LIMITED WARRANTY RECEIPT AND ASSIGNMENT OF MANUFACTURER'S WARRANTIES

Purchaser: _____

Closing Date: _____, _____

Unit Number: _____ (the "Residence")

Purchaser acknowledges receipt of the Limited Warranty attached as Attachment 1. Purchaser further acknowledges that, pursuant to the Limited Warranty, Seller hereby assigns to Purchaser all manufacturer warranties covering Consumer Products (as such term is used and defined by the Federal Trade Commission) that are covered by the Magnuson-Moss Warranty Act when sold as part of the Residence.

Purchaser has conducted a pre-closing orientation of the Residence, the appliances, and additional installations, fixtures and features of the Residence, and has completed an inspection checklist. The pre-closing orientation was conducted by Purchaser with representatives of Seller. Purchaser accepts the Residence, the appliances, and additional installations, fixtures and features of the Residence, subject to completion of the punch-list items agreed by Seller and identified in the inspection checklist, in their present state, including acceptance of the brand, type, model, color, finish, dimensions, features, and installation location or placement.

EXECUTED and delivered as of the date of the last signature below.

PURCHASER:

_____
Purchaser 1's Signature
Printed Name:_____
Date of Execution:_____

_____
Purchaser 2's Signature
Printed Name:_____
Date of Execution:_____

SELLER:

LAKEFRONT SOUTH CONDOS, LLC, a Delaware limited liability company

By:_____
Printed Name: _____
Title: _____

THE STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me this ____ day of _____, 20____, by _____, the _____ of LAKEFRONT SOUTH CONDOS, LLC, a Delaware limited liability company, on behalf of such limited liability company.

(SEAL)

_____
Notary Public Signature

ATTACHMENT 1

Unit: _____

LIMITED WARRANTY ADDENDUM

This limited warranty ("**Limited Warranty**") constitutes the sole and only warranty regarding the labor and materials used in the construction of above-described Unit (collectively, the "**Subject Property**") pursuant to the provisions of that certain Agreement of Sale and Purchase between Purchaser and Seller.

Seller warrants that all construction and materials incorporated in and made a part of the Subject Property shall remain free from material defect in workmanship and quality for a period of one (1) year from the date of Closing. A "material defect" means a defect that either fails to conform to the latest version of the plans and specifications for the Subject Property as of the date of this Limited Warranty or fails to conform to the standard of quality of construction of residential condominiums prevalent in Montgomery County, Texas as of the date of this Limited Warranty. Purchaser must give Seller written notice of any material defect within ten (10) days after Purchaser's discovery of the defect; provided, in any event that such notice must be given prior to expiration of this Limited Warranty. Any such notice shall be addressed to Seller at the address set forth below or such other address for notice furnished to Purchaser in writing. Purchaser's sole remedy (in lieu of all remedies implied by law or otherwise) against Seller in connection with such material defects shall be to require Seller to correct the defect in material or workmanship. Seller shall determine, in Seller's sole discretion, whether any material defect covered by this Limited Warranty shall be repaired or replaced.

Consumer Products (as such term is used and defined by the Federal Trade Commission) that are covered by the Magnuson-Moss Warranty Act when sold as part of a home are EXCLUDED from this Limited Warranty. Such Consumer Products are covered solely to the extent of any manufacturers' and/or suppliers' warranties. Seller hereby assigns to Purchaser all manufacturer warranties covering such Consumer Products used in the Unit and transferred to Purchaser by virtue of Purchaser's purchase of the Unit. Purchaser's sole remedy for the malfunction or defect in materials or workmanship of equipment or appliances installed in the Subject Property by Seller or its agents or subcontractors ("**Installers**"), are specifically limited to the warranty provided by the manufacturer of such equipment or appliance, unless such claimed defect is or was caused by installation by Installers, in which event, this Limited Warranty applies. For purposes of illustration and not by way of limitation, such appliances and equipment include the following: refrigerators, freezers, ice makers, microwave ovens, conventional ovens, range tops, dishwashers, garbage disposals, trash compactors, clothes washers and dryers, heating and air conditioning units, hot water heaters, garage door openers, intercom systems, security systems and audio and video equipment.

This Limited Warranty gives Purchaser specific legal rights and Purchaser may also have other rights under Texas law.

The following are limitations to or exceptions from the warranty:

A. All claims under this warranty MUST BE MADE IN WRITING and delivered to Seller prior to expiration of this Limited Warranty. The written notice must identify the nature of the defect, the date the defect first occurred, the loss or damage claimed, the times that the Seller may have access to the Subject Property to inspect the loss or damage and, if necessary, take corrective action.

Purchaser must:

1) Contact Seller, or its representatives, in the most expeditious manner possible;

2) Do everything reasonably within the Purchaser's power to mitigate any damage being caused by the problem;

3) Mitigation must be accomplished with prudence and with due regard for relative costs. Seller shall only bear those Purchaser-incurred costs that are reasonable and competitive in the opinion of Seller.

B. Seller must be given reasonable time to correct defects to allow subcontractors and vendors to correct defects. Purchaser acknowledges that work and materials originally supplied through subcontractors and vendors may be warranted to Seller by the subcontractors and vendors. Service by these third parties is not one hundred percent (100%) under the control of Seller and may not always be as prompt as desired by Purchaser or Seller.

C. No wood items (other than doors, windows, wood cabinets and countertops) are guaranteed against warping, splitting, shrinking or other characteristics known to be common to wood at this particular locale and climate.

D. Cosmetic cracks in sheetrock, wood trim, caulking, stucco, or tile grout joints caused by the normal drying out and settling of construction are not covered under this warranty. Cosmetic cracks or separation in the surface of ceramic tile installed directly on to the concrete foundation or wood floor or concrete on metal decking caused by normal expansion and contraction of the foundation and framing are not covered under this warranty. Exposed concrete is not warranted against cosmetic cracking or variations in color.

E. All items which were contracted for directly by Purchaser, whether administered by Seller or not, are NOT warranted by Seller. This exclusion includes modifications or changes to the original construction.

F. Any item which is a change order to the standard specifications but are performed at cost, without profit or at minimal charge as an accommodation to Purchaser, carry no warranty by Seller.

G. This Limited Warranty is personal to Purchaser and may not be assigned. No assignment shall be permitted without the prior written consent of Seller.

The introduction of excessive water into the Subject Property will invalidate this limited warranty. Normal settling of the Subject Property within tolerances generally acceptable under the building standards in effect for the geographic area in which the Subject Property is situated will not be deemed a violation of this limited warranty.

FOR BREACH OF THIS LIMITED WARRANTY, DAMAGES INCURRED BY PURCHASER ARE LIMITED TO THE LESSER OF THE COST TO REPAIR OR REPLACE THE DEFECTIVE ITEM OR THE DECREASE IN THE MARKET VALUE OF THE ITEM AFFECTED BECAUSE OF THE DEFECT. IN NO CASE SHALL SELLER BE LIABLE TO PURCHASER FOR PUNITIVE, INCIDENTAL, SPECULATIVE OR CONSEQUENTIAL DAMAGES AS A RESULT OF ANY BREACH OF THIS LIMITED WARRANTY.

SELLER DISCLAIMS ALL OTHER WARRANTIES, WRITTEN OR ORAL, EXPRESS OR IMPLIED (OTHER THAN THE WARRANTY OF TITLE SET FORTH IN THE DEED FOR THE UNIT), INCLUDING WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF FITNESS FOR A PARTICULAR USE, REGARDING THE IMPROVEMENTS, FIXTURES, EQUIPMENT, MATERIALS, OR OTHER PROPERTY LOCATED ON OR BEING A PART OF THE REAL PROPERTY SOLD TO PURCHASER PURSUANT TO THE PURCHASE AND SALE AGREEMENT. NO SAMPLE OR MODEL HAS BEEN MADE PART OF THE BASIS OF THE BARGAIN OR HAS CREATED OR AMOUNTED TO AN EXPRESS WARRANTY THAT THE WHOLE OF THE GOODS WOULD CONFORM TO ANY SUCH SAMPLE OR MODEL.

PURCHASER, BY SIGNING THIS LIMITED WARRANTY, WAIVES ANY CLAIM OR CAUSE OF ACTION AGAINST SELLER AND ANY CONTRACTORS OR VENDORS HIRED BY SELLER UNDER ANY THEORY OF IMPLIED WARRANTY OF GOOD AND WORKMANLIKE CONSTRUCTION AND THAT ANY SUCH IMPLIED WARRANTY, TO THE EXTENT IT EXISTS IN TEXAS, IS EXPRESSLY REPLACED BY THE TERMS OF THIS LIMITED WARRANTY.

SELLER SPECIFICALLY DISCLAIMS, AND PURCHASER SPECIFICALLY WAIVES AND RELEASES SELLER AND ANY CONTRACTORS OR VENDOR HIRED BY SELLER FROM, ANY CLAIMS OR LIABILITY FOR INCIDENTAL, SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES TO ANY PERSON OR REAL OR PERSONAL PROPERTY, INCLUDING THE REAL PROPERTY UNDERLYING THE REGIME, RESULTING FROM A DEFECT OR FLAW IN ANY CONSTRUCTION OR MATERIALS.

SELLER MAKES NO REPRESENTATION OR WARRANTY CONCERNING ANY GEOLOGICAL OR ENVIRONMENTAL MATTERS AND SPECIFICALLY EXCLUDES GEOLOGICAL AND ENVIRONMENTAL MATTERS FROM THIS LIMITED WARRANTY.

PURCHASER HEREBY ACKNOWLEDGES AND ACCEPTS SUCH DISCLAIMERS AND WAIVES ANY AND ALL RIGHTS PURCHASER MAY HAVE BY VIRTUE OF THE REPRESENTATIONS AND WARRANTIES DISCLAIMED. EXCEPT AS OTHERWISE PROVIDED IN THIS LIMITED WARRANTY, PURCHASER ASSUMES THE RISK OF DAMAGE OCCURRING ON OR IN THE SUBJECT PROPERTY AFTER THE CLOSING, REGARDLESS OF THE CAUSE.

*NOTE: This Limited Warranty has been prepared to comply with the disclosure requirements of the federal Magnuson-Moss Warranty - Federal Trade Improvement Act (15 U.S.C. § 2301, as amended).

EXHIBIT "E"

COMMUNITY MANUAL

DOC #2026076629
Pages 75

AFTER RECORDING RETURN TO:

Robert D. Burton, Esq.
Preston A. Patten, Esq.
Winstead PC
600 W. 5th Street, Suite 900
Austin, Texas 78701
Email: rburton@winstead.com

LAKEFRONT SOUTH CONDOMINIUMS COMMUNITY MANUAL

Consisting of:

Certificate of Formation
Bylaws
Rules
Assessment Collection Policy
Fine Policy
Records Inspection, Copying, and Retention Policy
Religious Display Policy
Vehicle Charging Policy
Certification and Acknowledgement

PROPERTY

Lakefront South Condominiums are located at 9950 Woodloch Forest Drive, Suite 1200, The Woodlands, Texas 77380, and is subject to the Declaration of Condominium Regime for Lakefront South Condominiums, recorded or to be recorded in the Official Public Records of Montgomery County, Texas.

Copyright © 2026. Winstead PC. All rights reserved. This Community Manual may be used only in connection with the condominium known as Lakefront South Condominiums in Montgomery County, Texas.

LAKEFRONT SOUTH CONDOMINIUMS
COMMUNITY MANUAL

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ATTACHMENT 1

CERTIFICATE OF FORMATION
OF
LAKEFRONT SOUTH CONDOMINIUM COMMUNITY, INC.

[*ATTACHED*]

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Jane Nelson
Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING
OF

Lakefront South Condominium Community, Inc.
File Number: 805803119

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 11/26/2024

Effective: 11/26/2024

Jane Nelson
Secretary of State

Filing#:805803119 Document#:1427920600002 Filed On 11/26/2024 received by Upload

CERTIFICATE OF FORMATION
OF
LAKEFRONT SOUTH CONDOMINIUM COMMUNITY, INC.

The undersigned natural person, being of the age of eighteen (18) years or more, a citizen of the State of Texas, acting as incorporator of a nonprofit corporation under the Texas Business Organizations Code, does hereby adopt the following Certificate of Formation for such corporation:

ARTICLE I
NAME

The name of the corporation is: Lakefront South Condominium Community, Inc. (hereinafter called the "**Association**").

ARTICLE II
NONPROFIT CORPORATION

The Association is a nonprofit corporation.

ARTICLE III
DURATION

The Association shall exist perpetually.

ARTICLE IV
PURPOSE AND POWERS OF THE ASSOCIATION

The Association is organized in accordance with, and shall operate for nonprofit purposes pursuant to, the Texas Business Organizations Code, and does not contemplate pecuniary gain or profit to its members. In furtherance of its purposes, the Association shall have the following powers which, unless indicated otherwise by this Certificate of Formation, that certain "Declaration of Condominium Regime for Lakefront South Condominiums", which is recorded in the Official Public Records of Montgomery County, Texas, as the same may be amended from time to time (the "**Declaration**"), the Bylaws, or Applicable Law, may be exercised by the Board of Directors:

(a) all rights and powers conferred upon nonprofit corporations by Applicable Law;

(b) all rights and powers conferred upon condominium associations by Applicable Law; and

(c) all powers necessary, appropriate, or advisable to perform any purpose or duty of the Association as set out in this Certificate of Formation, the Bylaws, the Declaration, or Applicable Law.

Terms used but not defined in this Certificate of Formation shall have the meaning subscribed to such terms in the Declaration.

ARTICLE V
INITIAL ADDRESS; REGISTERED OFFICE; REGISTERED AGENT

The initial address for the Association to receive state franchise tax correspondence is 600 W. 5th Street, Suite 900, Austin, Texas 78701. The street address of the initial registered office of the Association is 600 W. 5th Street, Suite 900, Austin, Texas 78701. The name of its initial registered agent at such address is Robert D. Burton.

ARTICLE VI
MEMBERSHIP

Membership in the Association shall be determined by the Declaration.

ARTICLE VII
VOTING RIGHTS

Voting rights of the members of the Association shall be determined as set forth in the Declaration. Notwithstanding the foregoing, cumulative voting is not permitted.

ARTICLE VIII
INCORPORATOR

The name and street address of the incorporator is:

NAME	ADDRESS
Robert D. Burton	600 W. 5th Street, Suite 900 Austin, Texas 78701

ARTICLE IX
BOARD OF DIRECTORS

The affairs of the Association shall be managed by an initial Board of Directors consisting of three (3) individuals. The Board shall fulfill all of the functions of, and possess all powers granted to, Boards of Directors for nonprofit corporations pursuant to the Texas Business Organizations Code. The names and addresses of the persons who are to act in the capacity of initial Directors until the selection of their successors are:

NAME	ADDRESS
Erwin Caban	9950 Woodloch Forest Drive, Suite 1250 The Woodlands, Texas 77380
Brandon Hinman	9950 Woodloch Forest Drive, Suite 1250 The Woodlands, Texas 77380
Jason Ellestad	9950 Woodloch Forest Drive, Suite 1250 The Woodlands, Texas 77380

All of the powers and prerogatives of the Association shall be exercised by the initial Board of Directors named above until their successors are elected or appointed in accordance with the Declaration.

ARTICLE X
LIMITATION OF DIRECTOR LIABILITY

A member of the Board of Directors of the Association shall not be personally liable to the Association for monetary damages for any act or omission in his capacity as a Board member, except to the extent otherwise expressly provided by Applicable Law. Any repeal or modification of this Article shall be prospective only, and shall not adversely affect any limitation of the personal liability of a member of the Board of Directors at the time of the repeal or modification.

ARTICLE XI
INDEMNIFICATION

Each person who acts as a member of the Board of Directors, officer or committee member of the Association shall be indemnified by the Association against any costs, expenses and liabilities which may be imposed upon or reasonably incurred by him in connection with any civil or criminal action, suit or proceeding in which he may be named as a party defendant or in which he may be a witness by reason of his being or having been a member of the Board of Directors, officer, or committee member of the Association, or by reason of any action alleged to have been taken or omitted by him or her in either such capacity. Such indemnification shall be provided in the manner and under the terms, conditions and limitations set forth in the Bylaws of the Association.

ARTICLE XII
DISSOLUTION

Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes substantially similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed, and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to such substantially similar purposes.

ARTICLE XIII
ACTION WITHOUT MEETING

Any action required by law to be taken at any annual or special meeting of the members of the Association, or any action that may be taken at any annual or special meeting of the members of the Association, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the number of members having the total number of votes of the Association necessary to enact the action taken, as determined under the Declaration or this Certificate of Formation.

ARTICLE XIV
AMENDMENT

This Certificate of Formation may only be amended by a Majority of the Board of Directors; provided, however, that any amendment to this Certificate of Formation must be approved in advance and in writing by the Declarant during the Development Period.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand, this 26th day of November, 2024.

Robert D. Burton, Incorporator

ATTACHMENT 2

BYLAWS
OF
LAKEFRONT SOUTH CONDOMINIUM COMMUNITY, INC.

ARTICLE 1
INTRODUCTION

1.1 **Property**. These Bylaws of Lakefront South Condominium Community, Inc., provide for the governance of the condominium regime known as Lakefront South Condominiums, established on certain real property located in Montgomery County, Texas (the "**Property**"), as more particularly described in that certain Declaration of Condominium Regime for Lakefront South Condominiums, recorded or to be recorded in the Official Public Records of Montgomery County, Texas (the "**Declaration**").

1.2 **Parties to Bylaws**. All present or future Owners of Units and all other Persons who use or occupy the Property in any manner are subject to these Bylaws, the Declaration, and the other Documents as defined in the Declaration. The mere acquisition or occupancy of a Unit will signify that these Bylaws are accepted, ratified, and will be strictly followed.

1.3 **Definitions**. Words and phrases defined in the Declaration have the same meanings when used in these Bylaws. *Article 1* of the Declaration is incorporated herein by reference.

1.4 **Nonprofit Purpose**. The Association is organized to be a nonprofit corporation.

1.5 **Declarant Control**. Notwithstanding anything to the contrary in these Bylaws, a number of provisions are modified by the Declarant's reservations in *Appendix "A"* of the Declaration during the Declarant Control Period and the Development Period, as defined in the Declaration, including the number, qualification, appointment, removal, and replacement of directors.

1.6 **General Powers and Duties**. The Association, acting through the Board, has the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Property as may be required or permitted by the Documents and Texas law. The Association may do any and all things that are lawful and which are necessary, proper, or desirable in operating for the best interests of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Documents.

ARTICLE 2
BOARD OF DIRECTORS

During the Declarant Control Period, Appendix "A" of the Declaration governs the number, qualification, and appointment of directors. During the Declarant Control Period, Directors appointed by the Declarant need not be Owners. Directors appointed by the Declarant may not be removed by the Owners and need not comply with the qualifications set forth in *Section* 2.2 below. Directors appointed by the Declarant may be removed by Declarant only and are not subject to removal pursuant to *Section* 2.5 below. During the Declarant Control Period, Declarant has the right to fill vacancies in any directorship vacated by a Declarant appointee.

2.1 **Governance Upon Expiration of the Declarant Control Period**. After expiration of the Declarant Control Period, the Board will consist of three (3) members, with (i) one (1) director to be appointed or elected by a vote of the Owner(s) of the Commercial Unit(s) only (the Owner(s) of the Commercial Unit(s) being the only Member(s) entitled to vote with respect to the election of such director) (the "**Commercial Representative**"), and (ii) two (2) directors to be elected by a vote of the Owners of the Residential Units only (the Owners of the Residential Units being the only Members entitled to vote with respect to the election of such directors) (the "**Residential Representatives**"). The director appointed or elected by the Owner(s) of the Commercial Unit(s) will be elected for a two (2)-year term. For the directors elected by the Residential Units, one (1) director will be elected for a two (2)-year term, and one (1) director will be elected for a three (3)-year term. Upon expiration of the term of the directors appointed or elected pursuant to the foregoing sentences, his or her successor will be appointed or elected for a term of two (2) years. In the event the Commercial Unit is subdivided into additional Commercial Units, the Owner(s) of the Commercial Units resulting from such resubdivision will elect the Commercial Representative based on the number of votes allocated to each Commercial Unit resulting from the resubdivision as determined in accordance with the Declaration. For so long as the Declarant or an Affiliate of Declarant owns all of the Commercial Unit(s), the Commercial Representative may be substituted at any time by notice to the Board by the Declarant or an Affiliate of Declarant.

2.2 **Qualification**. The following qualifications apply to the election or appointment of persons to the Board.

2.2.1 Unit Owner. After expiration of the Declarant Control Period, each person elected or appointed as a director of the Board must be an Owner of a Unit.

2.2.2 Entity Member. If a Unit is owned by a legal entity, such as a partnership or corporation, any officer, partner, agent, or employee of that entity Member is eligible to serve as a director and is deemed to be a Member for the purposes of this Section. If the relationship between the entity Member and the director representing it terminates, that directorship will be deemed vacant.

2.2.3 Delinquency. No person may be elected or appointed as a director if any assessment or fine against the person or his Unit is delinquent at the time of election or appointment, provided he has been given notice of the delinquency and a reasonable opportunity to cure the delinquency.

2.2.4 Litigation. No person may be elected or appointed as a director if the person is a party adverse to the Association or the Board in pending litigation to which the Association or the Board is a party.

2.3 **Election**. The election of directors will be conducted at the annual meeting of the Association, at any special meeting called for that purpose, or by mail, electronic mail, or a combination of any of these. For so long as the Declarant or an Affiliate of Declarant owns all of the Commercial Unit(s), the Commercial Representative may be substituted at any time by notice to the Board by the Declarant or an Affiliate of Declarant.

2.4 **Nominations to Board of Directors**. Members may be nominated for election to the Board of Directors in either of the following ways:

(a) A Member who is not a Director and who desires to run for election to that position shall be deemed to have been nominated for election upon his filing with the Board of Directors a written petition of nomination; or

(b) A Director who is eligible to be re-elected shall be deemed to have been nominated for re-election to the position he holds by signifying his intention to seek reelection in a writing addressed to the Board of Directors.

2.5 **Vacancies**. Vacancies on the Board of the Commercial Representative must be selected by a vote of at least two-thirds (2/3) of the Owner(s) of the Commercial Unit(s) to serve for the unexpired portion of his predecessor's term; and vacancies on the Board of the Residential Representatives must be selected by a vote of the Residential Unit Owners, with the candidate receiving the highest number of votes to serve for the unexpired portion of his predecessor's term.

2.6 **Removal of Directors**.

2.6.1 Removal by Members. At any annual meeting or special meeting of the Association: (i) the Commercial Representative may be removed by a vote of at least two-thirds (2/3) of the Owner(s) of the Commercial Unit(s) only present in person or by proxy at the meeting (the Owner(s) of the Commercial Unit(s) being the only Member(s) entitled to vote with respect to removal of such director), with such director's replacement to be selected by a vote of at least two-thirds (2/3) of the Owner(s) of the Commercial Unit(s) to serve for the unexpired portion of the predecessor's term; and (ii) a Residential Representative may be removed by a vote of at least two-thirds (2/3) of the Owners of the Residential Units only present in person or by proxy at the meeting (the Owners of the Residential Units being the only Members entitled to vote with respect to removal of such directors), with such director's replacement to be selected by a vote of at least two-thirds (2/3) of the Owners of the Residential Units to serve for the unexpired portion of his predecessor's term. Any director whose removal has been proposed by the Members must be given an opportunity to be heard at the meeting.

2.6.2 Removal by Directors. A director may not be removed by the officers or by the remaining directors unless approved by majority of the Owner(s) entitled to appoint or elect the director to be removed in accordance with *Section 2.1* above.

2.7 **Meetings of the Board**.

2.7.1 Regular Meetings of the Board. Regular meetings of the Board may be held at a time and place that the Board determines, from time to time. Notice of regular meetings of the Board will be given to each director, personally or by telephone, written, or electronic communication, at least three (3) days prior to the date of the meeting.

2.7.2 Special Meetings of the Board. Special meetings of the Board may be called by the president or, if he is absent or refuses to act, by the secretary, or by any two (2) directors. At least three (3) days' notice will be given to each director, personally or by telephone, written, or electronic communication, which notice must state the place, time, and purpose of the meeting.

2.7.3 Emergency Meetings. In case of emergency, the Board may convene a meeting after making a diligent attempt to notify each director by any practical method.

2.7.4 Conduct of Meetings. The president presides over meetings of the Board and the secretary keeps, or causes to be kept, a record of resolutions adopted by the Board and a record of transactions and proceedings occurring at meetings.

2.7.5 Quorum. At meetings of the Board, at least two (2) directors, which must include at least one (1) Residential Representative and the Commercial Representative (unless the Commercial Representative fails to attend two (2) consecutive meetings of the Board held on a business day between the hours of 9:00 a.m. and 5 p.m. in Montgomery County, Texas), constitutes a quorum for the transaction of business, and the acts of the Majority of the directors present at a meeting at which a quorum is present are the acts of the Board. If less than a quorum is present at a meeting of the Board, the Majority of those present may adjourn the meeting from time to time. At any reconvened meeting at which a quorum is present, any business that may have been transacted at the meeting as originally called may be transacted without further notice. Directors may not participate by proxy at meetings of the Board.

2.7.6 Open Meetings. Regular and special meetings of the Board are open to Members of the Association, subject to the following provisions to the extent permitted or required by the Act:

(i) No audio or video recording of the meeting may be made, except by the Board or with the Board's prior express consent.

(ii) Members who are not directors may not participate in Board deliberations under any circumstances, and may not participate in Board discussions unless the Board expressly so authorizes at the meeting.

(iii) The Board may adjourn any meeting and reconvene in executive session to discuss and vote on personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar or sensitive nature. The nature of business to be considered in executive session will first be announced in open session.

(iv) The Board may prohibit attendance by non-Members, including representatives, proxies, agents, and attorneys of Members.

(v) The Board may prohibit attendance by any Member who disrupts meetings or interferes with the conduct of Board business.

(vi) The Board will post notice of regular and special meetings of the Board in a conspicuous place within the Property no later than two (2) days in advance of each such regular or special meeting, including the time, date, and place of each such Board meeting.

2.7.7 Telephone Meetings. Members of the Board or any committee of the Association may participate in and hold meetings of the Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meeting constitutes presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

2.7.8 Action without a Meeting. Any action required or permitted to be taken by the Board at a meeting may be taken without a meeting, if all directors individually or collectively consent in

writing to such action. The written consent must be filed with the minutes of Board meetings. Action by written consent has the same force and effect as a unanimous vote. This Section does not apply to actions that require meetings under the Act.

2.8 **Liabilities and Standard of Care**. In performing their duties, the directors are required to exercise certain standards of care and are subject to certain liabilities, including but not limited to the following provisions of Texas law: Section 82.103(a) and (f) of the Act, and Sections 3.102, 3.105, 22.221, 22.223, 22.224, 22.225, 22.226, 22.227 and 22.230 of the Texas Business Organizations Code.

2.9 **Powers and Duties**. The Board has all the powers and duties necessary for the administration of the Association and for the operation and maintenance of the Property. The Board may do all acts and things except those which, by law or the Documents, are reserved to the Members and may not be delegated to the Board. Without prejudice to the general and specific powers and duties set forth in laws or the Documents, or powers and duties as may hereafter be imposed on the Board by resolution of the Association, the powers and duties of the Board include, but are not limited to, the following:

2.9.1 Appointment of Committees. The Board, by resolution, may from time to time designate standing or ad hoc committees to advise or assist the Board with its responsibilities. The resolution may establish the purposes and powers of the committee created, provide for the appointment of a chair and committee Members, and may provide for reports, termination, and other administrative matters deemed appropriate by the Board. Members of committees will be appointed from among the Owners and Occupants.

2.9.2 Manager. The Board may employ a manager or managing agent for the Association, at a compensation established by the Board, to perform duties and services authorized by the Board.

2.10 **Fidelity Bonds**. The Association shall maintain blanket fidelity coverage for any Person (as such term is defined in the Declaration) who handles or is responsible for funds held or administered by the Association, whether or not the Person is paid for his services. The policy should be for an amount that exceeds the greater of: (i) the estimated maximum funds, including reserve funds, that will be in the Association's custody at any time the policy is in force; or (ii) an amount equal to three (3) months of Regular Assessments on all Units. A management agent that handles Association funds should be covered for its own fidelity insurance policy with the same coverages.

ARTICLE 3
OFFICERS

3.1 **Designation**. The principal officers of the Association are the president, the secretary, and the treasurer. The Board may appoint 1 or more vice presidents and other officers and assistant officers as it deems necessary. The president and secretary must be directors. Other officers may, but need not, be directors. Any 2 offices may be held by the same person, except the offices of president and secretary. If an officer is absent or unable to act, the Board may appoint a director to perform the duties of that officer and to act in place of that officer, on an interim basis.

3.2 **Election of Officers**. The officers are elected no less than annually by the directors at the organizational meeting of the Board and hold office at the pleasure of the Board. Except for resignation or removal, officers hold office until their respective successors have been designated by the Board.

3.3 **Removal and Resignation of Officers**. A Majority of directors may remove any officer, with or without cause, at any regular meeting of the Board or at any special meeting of the Board called for that purpose. A successor may be elected at any regular or special meeting of the Board called for that purpose. An officer may resign at any time by giving written notice to the Board. Unless the notice of resignation states otherwise, it is effective when received by the Board and does not require acceptance by the Board. The resignation or removal of an officer who is also a director does not constitute resignation or removal from the Board.

3.4 **Standard of Care**. In performing their duties, the officers are required to exercise the standards of care provided by Section 82.103(a) and (f) of the Act and by Section 3.105 of the Texas Business Organizations Code.

3.5 **Description of Principal Offices**.

3.5.1 President. As the chief executive officer of the Association, the president: (i) presides at all meetings of the Association and of the Board; (ii) has all the general powers and duties which are usually vested in the office of president of a corporation organized under the laws of the State of Texas; (iii) has general supervision, direction, and control of the business of the Association, subject to the control of the Board; and (iv) sees that all orders and resolutions of the Board are carried into effect.

3.5.2 Secretary. The secretary: (i) keeps the minutes of all meetings of the Board and of the Association; (ii) has charge of such books, papers, and records as the Board may direct; (iii) maintains a record of the names and addresses of the Members for the mailing of notices; and (iv) in general, performs all duties incident to the office of secretary.

3.5.3 Treasurer. The treasurer: (i) is responsible for Association funds; (ii) keeps full and accurate financial records and books of account showing all receipts and disbursements; (iii) prepares all required financial data and tax returns; (iv) deposits all monies or other valuable effects in the name of the Association in depositories as may from time to time be designated by the Board; (v) prepares the annual and supplemental budgets of the Association; (vi) reviews the accounts of the managing agent on a monthly basis in the event a managing agent is responsible for collecting and disbursing Association funds; and (vii) performs all the duties incident to the office of treasurer.

3.6 **Authorized Agents**. Except when the Documents require execution of certain instruments by certain individuals, the Board may authorize any person to execute instruments on behalf of the Association. In the absence of Board designation, the president and the secretary are the only persons authorized to execute instruments on behalf of the Association.

ARTICLE 4
MEETINGS OF THE ASSOCIATION

4.1 **Annual Meeting**. An annual meeting of the Association will be held once during each twelve (12)-month period on a date and at a time determined by the Board. At each annual meeting the Members will elect directors in accordance with these Bylaws. The Members may also transact such other business of the Association as may properly come before them.

4.2 **Special Meetings**. It is the duty of the president to call a special meeting of the Association if directed to do so by a Majority of the Board or by a petition signed by Owners of at least twenty percent (20%) of the Units. The meeting must be held within thirty (30) days after the Board resolution or receipt of petition. The notice of any special meeting must state the time, place, and

purpose of the meeting. No business, except the purpose stated in the notice of the meeting, may be transacted at a special meeting.

4.3 **Place of Meetings**. Meetings of the Association may be held at the Property or at a suitable place convenient to the Members, as determined by the Board.

4.4 **Notice of Meetings**. At the direction of the Board, written notice of meetings of the Association will be given to an Owner of each Unit at least ten (10) days but not more than sixty (60) days prior to the meeting. Notices of meetings will state the date, time, and place the meeting is to be held. Notices will identify the type of meeting as annual or special, and will state the particular purpose of a special meeting. Notices may also set forth any other items of information deemed appropriate by the Board.

4.5 **Ineligibility**. The Board may determine that no Member may vote at meetings of the Association if the Member's financial account with the Association is in arrears thirty (30) days before the date of a meeting of the Association at which Members will vote, provided each ineligible Member is given notice of the arrearage and an opportunity to become eligible. The Board may specify the manner, place, and time for payment for purposes of restoring eligibility. A determination of Members entitled to vote at a meeting of the Association is effective for any adjournment of the meeting, provided the date of the adjourned meeting is not more than thirty (30) days after the original meeting.

4.6 **Voting Members List**. The Board will prepare and make available a list of the Association's voting Members in accordance with Section 22.158(b) of the Texas Business Organizations Code.

4.7 **Quorum**. At any meeting of the Association, the presence in person or by proxy of Members representing at least fifteen percent (15%) of the Units in the Property constitutes a quorum.

4.8 **Lack of Quorum**. If a quorum is not present at any meeting of the Association for which proper notice was given, Members representing at least a Majority of the votes present at the meeting, although not constituting a quorum, may vote to recess the meeting for not more than twenty-four (24) hours in order to attain a quorum, provided the place of the meeting remains as stated in the notice. If the meeting is adjourned without attainment of a quorum, notice of a new meeting for the same purposes within fifteen (15) to thirty (30) days may be given to an Owner of each Unit.

4.9 **Votes**. The vote of Members representing at least a Majority of the votes cast at any meeting at which a quorum is present binds all Members for all purposes, except when a higher percentage is required by these Bylaws, the Declaration, or by law. Cumulative voting is prohibited.

4.9.1 Co-Owned Units. If a Unit is owned by more than one Member, the vote appurtenant to that Unit is cast in accordance with Section 82.110(a) of Act, which is summarized as follows. If only one of the multiple Owners of a Unit is present at a meeting of the Association, that person may cast the vote allocated to that Unit. If more than one of the multiple Owners is present, the vote allocated to that Unit may be cast only in accordance with the Owners' unanimous agreement. Multiple Owners are in unanimous agreement if one of the multiple Owners casts the vote allocated to a Unit and none of the other Owners makes prompt protest to the person presiding over the meeting.

4.9.2 Entity-Owned Units. If a Unit is owned by a corporation, partnership or other entity, the vote appurtenant to that Unit may be cast by the person identified in such entity's written appointment of such person to exercise its vote, which notice must be provided to the Association not less

than five (5) days in advance of any vote of the Association. The person presiding over a meeting or vote may require reasonable evidence that a person voting on behalf of a corporation, partnership or other entity is qualified to vote.

4.9.3 Association-Owned Units. Votes allocated to a Unit owned by the Association may be counted towards a quorum and for all ballots and votes except the election or removal of directors. The vote appurtenant to a Unit owned by the Association is exercised by the Board.

4.9.4 Claims. Any vote of Members required to be held in accordance with Article 19 of the Declaration must be held at a meeting called in accordance with these Bylaws. Within ten (10) days after a vote of Members held in accordance with Article 19 of the Declaration, the Secretary or another officer of the Association shall deliver to the Declarant and any Respondent: (a) a true and correct copy of the meeting notice provided to Members, for the meeting at which such vote was taken; (b) copies of the ballots cast at such meeting; (c) a certification that the information set forth in (a) and (b) above in this Section is true and correct; (d) a certification that the meeting notice provided to Members was provided in accordance with Article 19 of the Declaration; and (e) a certification that the vote was held in accordance with these Bylaws and Article 19 of the Declaration.

4.10 **Methods of Voting: In Person; Proxies; Absentee Ballots; Electronically**. The voting rights of a Member, may be cast or given: (a) in person or by proxy at a meeting of the Association; (b) by absentee ballot; (c) by electronic ballot (if an electronic voting option is provided for a voting matter) or (d) using any method(s) approved by the Board for a specific vote and/or election to the extent such voting method is authorized under Applicable Law. At the Board's discretion, absentee ballots may also be cast or given at an election in which electronic voting is the primary method of voting. The Board is not required to provide a Member with more than one (1) voting method, except that a Member must be permitted to vote by absentee ballot or by proxy. Any vote cast in an election or vote by a Member of the Association must be in writing and signed by the Member. Electronic votes constitute written and signed ballots. In an Association election, written and signed ballots are not required for uncontested races. Votes shall be cast as provided in this Section:

4.10.1 **Proxies**. Votes may be cast in person or by written proxy. Any Member may give a revocable written proxy in the form as prescribed by the Board from time to time to any person authorizing such person to cast the Member's vote on any matter. A Member's vote by proxy is subject to any limitations of Applicable Law relating to the use of general proxies and subject to any specific provision to the contrary in the Declaration or these Bylaws. To be valid, each proxy must: (i) be signed and dated by a Member or his attorney in fact; (ii) identify the Unit to which the vote is appurtenant; (iii) name the person or title (such as "presiding officer") in favor of whom the proxy is granted, such person having agreed to exercise the proxy; (iv) identify the meeting for which the proxy is given; (v) not purport to be revocable without notice; and (vi) be delivered to the secretary, to the person presiding over the Association meeting for which the proxy is designated, or to a person or company designated by the Board. Proxies may be delivered by email from a Unit Owner email address on file with the Association. Unless the proxy specifies a shorter or longer time, it terminates eleven (11) months after the date of its execution. Perpetual or self-renewing proxies are permitted, provided they are revocable. Every proxy shall automatically cease upon conveyance of the Unit for which it was given. To revoke a proxy, the granting Member must give actual notice of revocation to the person presiding over the Association meeting for which the proxy is designated. Unless revoked, any proxy designated for a meeting which is adjourned, recessed, or rescheduled is valid when the meeting reconvenes. If an Owner who has given a proxy attends any meeting to vote in person, the vote of the Owner supersedes any vote submitted by proxy. All proxies given in accordance with this *Section 4.10.1* shall be counted.

4.10.2 Absentee and Electronic Ballots. An absentee or electronic ballot shall not be counted, even if properly delivered, if the Member attends any meeting to vote in person, so that any vote cast at a meeting by a Member supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal. For the purposes of this Section, a nomination taken from the floor in a Board member election is not considered an amendment to the proposal for the election.

(a) *Absentee Ballots*. No absentee ballot shall be valid unless it is in writing, signed by the Member for which it is given or his duly authorized attorney-in-fact, dated, and filed with the Secretary of the Association prior to the meeting for which it is to be effective.

(b) *Electronic Ballots*. "Electronic ballot" means a ballot: (a) given by email or posting on a website; (b) for which the identity of the Member submitting the ballot can be confirmed; and (c) for which the Member may receive a receipt of the electronic transmission and receipt of the Member's ballot.

4.11 **Conduct of Meetings**. The president, or any person designated by the Board, presides over meetings of the Association. The secretary keeps, or causes to be kept, the minutes of the meeting which should record all resolutions adopted and all transactions occurring at the meeting, as well as a record of any votes taken at the meeting. The person presiding over the meeting may appoint a parliamentarian. The then current edition of Robert's Rules of Order governs the conduct of meetings of the Association when not in conflict with the Documents. Votes should be tallied by Members appointed by the person presiding over the meeting.

4.12 **Order Of Business**. Unless the notice of meeting states otherwise, or the assembly adopts a different agenda at the meeting, the order of business at meetings of the Association is as follows:

- Determine votes present by roll call or check in procedure
- Announcement of quorum
- Proof of notice of meeting
- Approval of minutes of preceding meeting
- Reports of Officers (if any)
- Election of directors (when required)
- Unfinished or old business
- New business

4.13 **Adjournment of Meeting**. At any meeting of the Association, a Majority of the Members present at that meeting, either in person or by proxy, may adjourn the meeting to another time and place.

4.14 **Action without Meeting**. Subject to Board approval, any action which may be taken by a vote of the Members at a meeting of the Association may also be taken without a meeting by written consents. The Board may permit Members to vote by any method allowed by Section 22.160(b)(c) and (d) of the Texas Business Organizations Code, which may include hand delivery, mail, email, or any combination of these. Written consents by Members representing at least a Majority of votes in the Association, or such higher percentage as may be required by the Documents, constitutes approval by written consent. This Section may not be used to avoid the requirement of an annual meeting and does not apply to the election of directors.

4.15 **Telephone Meetings**. Members of the Association may participate in and hold meetings of the Association by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in the meeting constitutes presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE 5
RULES

5.1 **Rules**. The Declarant has adopted initial Rules for: (i) the administration of the Association and the Documents; (ii) the maintenance, management, operation, use, conservation, and beautification of the Property; and (iii) the health, comfort, and general welfare of the Occupants; provided, however, that such Rules may not be in conflict with law or the Documents. The Board will, at all times, maintain the then current and complete Rules in a written form which can be copied and distributed to the Members. The Board has the right to amend, from time to time, the Rules; provided, however, that all amendments to the Rules must be approved in advance and in writing by the Owner of the Commercial Unit and Declarant until the expiration or termination of the Development Period.

5.2 **Adoption and Amendment**. Any Rule may be adopted, amended, or terminated by the Board, provided that the Rule and the requisite Board (and Declarant, if applicable) approval are properly recorded as a resolution in the minutes of the meeting of the Board.

5.3 **Distribution**. On request from any Member or Occupant, the Board will provide a current and complete copy of the Rules. Additionally, the Board will, from time to time, distribute copies of the current and complete Rules to Owners and, if the Board so chooses, to non-Member Occupants.

ARTICLE 6
ENFORCEMENT

6.1 **Remedies**. The violation of any provision of the Documents gives the Board the following rights, in addition to any other rights set forth in the Documents:

6.1.1 Fines. To impose reasonable fines, if notice and an opportunity to be heard are provided.

6.1.2 Suspension of Access and Services. To suspend defaulting Owner's access to amenities or services to Owner, if notice and an opportunity to be heard are provided.

6.1.3 Self-Help. After notice and an opportunity to be heard are given, except in case of an emergency, to enter the Unit or Common Element in which, or as to which, the violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing, or condition (except for additions or alterations of a permanent nature that may exist in that Unit) that is contrary to the intent and meaning of the provisions of the Documents. The Board may not be deemed liable for any manner of trespass by this action.

6.1.4 Courts. To enjoin, abate, or remedy, by appropriate legal proceedings, the continuance of any breach.

6.2 **Notice and Hearing**. Before charging for property damage, imposing a fine or exercising self-help abatement, the Board must give the Owner a written violation notice and an opportunity to be heard.

6.2.1 Notice of Violation. Before charging for property damage or levying a fine, the Association will give the Owner a written violation notice, and an opportunity to be heard. This requirement may not be waived. The Association's written violation notice will contain the following items: (1) the date the violation notice is prepared or mailed; (2) a description of the violation or property damage; (3) a reference to the rule or provision that is being violated; (4) a description of the action required to cure the violation; (5) the amount of the fine or damage charge; (6) a statement that not later than the thirtieth (30th) day after the date of the violation notice, the Owner may request a hearing before the Board to contest the fine or damage charge; and (7) the date the fine or damage charge attaches or begins accruing. The notice sent out is further subject to the Association's Fine Policy.

6.2.2 Notice to Occupant. In addition to giving the written violation notice to the Owner, the Board may also give a copy of the notice to the non-Owner Occupant, if the Board deems it appropriate.

6.2.3 Request for Hearing. To request a hearing before the Board, an Owner must submit a written request to the Association's manager (or the Board if there is no manager) within thirty (30) days after the date of the violation notice. Within fifteen (15) days after receiving the Owner's request for a hearing, the Board will give the Owner at least fifteen (15) days' notice of the date, time, and place of the hearing. The hearing will be scheduled to provide a reasonable opportunity for both the Board and the Owner to attend.

6.2.4 Pending Hearing. Pending the hearing, the Board may continue to exercise the Association's other 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 the fine or the abatement action described in the notice.

6.2.5 Hearing. The hearing will be held in a closed or executive session of the Board. At the hearing, the Board will consider the facts and circumstances surrounding the violation. The Owner may attend the hearing in person, or may be represented by another person or written communication. No audio or video recording of the hearing may be made.

6.2.6 Minutes of Hearing. The minutes of the hearing must contain a statement of the results of the hearing and the amount of fine, if any, imposed, or abatement action, if any, authorized. A copy of the violation notice and request for hearing should be placed in the minutes of the hearing. If the Owner appears at the hearing, the notice requirement will be deemed satisfied.

6.3 **Imposition of Fine**. Within thirty (30) days after levying the fine or authorizing the abatement, the Board must give the Owner notice of the levied fine or abatement action. If the fine or action is announced at the hearing at which the Owner is actually present, the notice requirement will be satisfied. Otherwise, the notice must be in writing.

6.3.1 Amount. The Board may set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation. The Board may establish a schedule of fines for certain types of violations. The amount and cumulative total of a fine must be reasonable in comparison to the violation. If the Board allows fines to accumulate, it may establish a maximum amount for a particular fine, at which point the total fine will be capped.

6.3.2 Type of Fine. If the violation is ongoing or continuous, the fine may be levied on a periodic basis (such as daily, weekly, or monthly). If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.

6.3.3 Other Fine-Related. The Association is not entitled to collect a fine from an Owner to whom it has not given notice and an opportunity to be heard. The Association may not charge interest on unpaid fines. The Association may not foreclose its Assessment lien on a debt consisting solely of fines. The Board may adopt a collection policy that applies Owners' payments to unpaid fines before retiring other types of Assessments.

6.4 **Additional Enforcement Rights**. Notwithstanding the notice and hearing requirement, the Board may take immediate and appropriate action, without giving the notices required in this Article, against violations of the Documents which, in the Board's opinion, are: (i) self-evident, such as vehicles parked illegally or in violation of posted signs; (ii) threatening to life or property; or (iii) repeat violations of the same provision by the same Owner to whom prior notices and demands have been given for the same violation. Further, the provisions of this Article do not apply to specific remedies provided in the Documents for certain violations, such as nonpayment of Assessments.

ARTICLE 7
OBLIGATIONS OF THE OWNERS

7.1 **Proof of Ownership**. On request by the Association from time to time, any person who purports to be an Owner or the agent of an Owner must furnish to the Board evidence of ownership of the Unit. A copy of the recorded deed is the customary evidence. This requirement may be satisfied by receipt of a Board approved form that is completed and acknowledged by a title company or attorney at time of conveyance of the Unit or any interest therein. The Association may refuse to recognize a person as a Member unless the requested documentation is provided.

7.2 **Owners' Information**. Within thirty (30) days after acquiring an ownership interest in a Unit, the Owner must provide the Association with the Owner's mailing address, telephone number, and driver's license number, if any; the name and telephone number of any Occupant other than the Owner; and the name, address, and telephone number of any person managing the Unit as agent of the Unit Owner. An Owner must notify the Association within thirty (30) days after he has notice of a change in any information required by this Section, and must provide the information on request by the Association from time to time.

7.3 **Mailing Address**. The Owner or the several co Owners of a Unit must register and maintain one mailing address to be used by the Association for mailing of notices, demands, and all other communications. If an Owner fails to maintain a current mailing address with the Association, the address of the Owner's Unit is deemed to be his mailing address.

7.4 **Registration of Mortgagees**. Within thirty (30) days after granting a lien against his Unit, the Owner must provide the Association with the name and address of the holder of the lien and the loan number. The Owner must notify the Association within thirty (30) days after he has notice of a change in the information required by this Section. Also, the Owner will provide the information on request by the Association from time to time.

7.5 **Assessments**. All Owners are obligated to pay Assessments imposed by the Association to meet the Common Expenses as defined in the Declaration. A Member is deemed to be in good

standing and entitled to vote at any meeting of the Association if he is current in the Assessments made or levied against him and his Unit.

7.6 **Compliance with Documents**. Each Owner will comply with the provisions and terms of the Documents, and any amendments thereto. Further, each Owner will always endeavor to observe and promote the cooperative purposes for which the Property was established.

ARTICLE 8
ASSOCIATION RECORDS

8.1 **Records**. The Association will use its best efforts to keep the records required by Section 82.114(a) of the Act, including the following:

(i) Minutes or a similar record of the proceedings of meetings of the Association.

(ii) Minutes or a similar record of the proceedings of meetings of the Board.

(iii) Names and mailing addresses of the Members, the currency and accuracy of the information being the responsibility of the Members.

(iv) Names and mailing addresses of the mortgagees, the currency and accuracy of the information being the responsibility of the Members and their mortgagees.

(v) Financial records and books of account for the Association, kept in a manner consistent with generally accepted accounting principles.

(vi) Copies of income tax returns prepared for the Internal Revenue Service.

(vii) Copies of the Documents and all amendments to any of these.

(viii) A record of all votes or written consents by which amendments to the Documents were approved, for at least four (4) years after the approval.

8.2 **Inspection of Books and Records**. Books and records of the Association will be made available for inspection and copying pursuant to Section 82.114(b) of the Act and Sections 3.151, 3.153 and 22.351 of the Texas Business Organizations Code.

8.2.1 Proper Purpose. The Board may require a Member to submit a written demand for inspection, stating the purpose for which the Member will inspect the books and records. The Board has the following rights: (i) to determine whether the Member's purpose for inspection is proper; (ii) to deny the request if the Board determines that the Member's purpose is not proper; (iii) if granting the request, to identify which books and records are relevant to the Member's stated purpose for inspection.

8.2.2 Copies. A Member, at Member's expense, may obtain photocopies of books and records for which the Board grants the right of inspection. The Board has the right to retain possession of the original books and records, to make copies requested by the Member, and to charge the Member a reasonable fee for copying.

8.2.3 Member's Agent. A Member's inspection of the books and records may be assisted or performed by the Member's agent, accountant, or attorney.

8.2.4 Records of Attorneys and Accountants. The files and records of an attorney or accountant who performs services for the Association are not records of the Association, are not subject to inspection by Members, and are not subject to production in a legal proceeding.

8.3 **Resale Certificates**. Any officer may prepare or cause to be prepared, certify, and execute resale certificates in accordance with Section 82.157 of the Act. The Association may charge a reasonable fee for preparing resale certificates. The Association may refuse to furnish resale certificates until the fee is paid. Any unpaid fees may be assessed against the Unit for which the certificate is furnished.

ARTICLE 9
NOTICES

9.1 **Co-Owners**. If a Unit is owned by more than one person, notice to one co-Owner is deemed notice to all co-Owners.

9.2 **Delivery of Notices**. Any written notice required or permitted by these Bylaws may be given personally, by mail, by electronic mail, or by any other method permitted by the Texas Business Organizations Code. If mailed, the notice is deemed delivered when deposited in the U.S. mail addressed to the Member at the address shown on the Association's records. If transmitted by electronic mail, the notice is deemed delivered on successful transmission of the electronic message.

9.3 **Waiver of Notice**. Whenever a notice is required to be given to an Owner, Member, or director, a written waiver of the notice, signed by the person entitled to the notice, whether before or after the time stated in the notice, is equivalent to giving the notice. Attendance by a Member or director at any meeting of the Association or Board, respectively, constitutes a waiver of notice by the Member or director of the time, place, and purpose of the meeting. If all Members or directors are present at any meeting of the Association or Board, respectively, no notice is required and any business may be transacted at the meeting.

ARTICLE 10
DECLARANT PROVISIONS

10.1 **Conflict**. The provisions of this Article control over any provision to the contrary elsewhere in these Bylaws.

10.2 **Board of Directors**. During the Declarant Control Period, *Appendix "A"* of the Declaration governs the number, qualification, and appointment of directors. The initial directors will be appointed by Declarant and need not be Owners or Occupants. Directors appointed by Declarant may not be removed by the Owners and may be removed by Declarant only. Declarant has the right to fill vacancies in any directorship vacated by a Declarant appointee.

ARTICLE 11
AMENDMENTS TO BYLAWS

11.1 **Authority**. These Bylaws may only be amended by a Majority vote of the Members. Any amendment to these Bylaws must be approved in advance and in writing by the Declarant during the Development Period.

11.2 **Mortgagee Protection**. In addition to the notices and consents required by these Bylaws, certain actions and amendments require notice to or approval by Mortgagees, pursuant to the Mortgagee Protection article of the Declaration. If applicable, the Association must give the required notices to and obtain the required approvals from Mortgagees.

11.3 **Effective**. To be effective, each amendment must be in writing, reference the names of the Property and the Association, and be executed by a Majority of the Board of Directors. Further, if these Bylaws are publicly recorded, the amendment must recite the recording data for the Bylaws, and be recorded in the Official Public Records of Montgomery County, Texas.

11.4 **Declarant Protection**. During the Development Period, no amendment of these Bylaws may affect the Declarant's rights herein without the Declarant's written and acknowledged consent. Specifically, this Section and the article titled "Declarant Provisions" may not be amended without the prior written approval of the Declarant. The Declarant's written consent must be part of the amendment instrument.

ARTICLE 12
GENERAL PROVISIONS

12.1 **Compensation**. A director, officer, Member, or Occupant may not receive any pecuniary profit from the operation of the Association, and no funds or assets of the Association may be paid as a salary or as compensation to, or be distributed to, or inure to the benefit of a director, officer, Member, or Occupant. Nevertheless,

(i) Reasonable compensation may be paid to a director, officer, Member, or Occupant for services rendered to the Association in other capacities.

(ii) A director, officer, Member, or Occupant may, from time to time, be reimbursed for his actual and reasonable expenses incurred on behalf of the Association in connection with the administration of the affairs of the Association, provided the expense has been approved by the Board.

(iii) The Board may budget and use Association funds to purchase awards, certificates, a celebratory meal, or other customary tokens or demonstrations of appreciation for volunteer activities.

(iv) This provision does not apply to distributions to Unit Owners permitted or required by the Declaration or the Act.

12.2 **Conflicting Provisions**. If any provision of these Bylaws conflicts with any provision of the laws of the State of Texas, the conflicting Bylaws provision is null and void, but all other provisions of these Bylaws remain in full force and effect. In the case of any conflict between the certificate of formation of the Association and these Bylaws, the certificate of formation controls. In the case of any conflict between the Declaration and these Bylaws, the Declaration controls.

12.3 **Severability**. Whenever possible, each provision of these Bylaws will be interpreted in a manner as to be effective and valid. Invalidation of any provision of these Bylaws, by judgment or court order, does not affect any other provision which remains in full force and effect.

12.4 **Construction**. The effect of a general statement is not limited by the enumerations of specific matters similar to the general. The captions of articles and sections are inserted only for convenience and may not be construed as defining or modifying the text to which they refer. The singular is construed to mean the plural, when applicable, and the use of masculine or neuter pronouns includes the feminine.

12.5 **Fiscal Year**. The fiscal year of the Association will be set by resolution of the Board, and is subject to change from time to time as the Board determines. In the absence of a resolution by the Board, the fiscal year is the calendar year.

12.6 **Waiver**. No restriction, condition, obligation, or covenant contained in these Bylaws may be deemed to have been abrogated or waived by reason of failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

12.7 **Indemnification**. To the fullest extent permitted by applicable law, the Association will indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that such person is or was a director, officer, committee member, employee, servant, or agent of the Association against expenses (including attorney's fees, judgments, fines, and amounts paid in settlement) actually and reasonably incurred by such person in connection with such action, suit or proceeding if it is found and determined by the Board or a court that such person: (i) acted in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Association; or (ii) with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful. The termination of any action, suit, or proceeding by settlement, or upon a plea of Nolo Contendere or its equivalent, will not of itself create a presumption that the person did not act in good faith or in a manner reasonably believed to be in, or not opposed to, the best interests of the Association, or, with respect to any criminal action or proceeding, had reasonable cause to believe that such conduct was unlawful.

12.8 **Preparer**. These Bylaws were prepared by Robert D. Burton, Esq., Winstead, PC, 600 W. 5th Street, Suite 900, Austin, Texas 78701.

ATTACHMENT 3

RULES FOR
LAKEFRONT SOUTH CONDOMINIUMS
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RULES FOR
LAKEFRONT SOUTH CONDOMINIUMS

ARTICLE I
General Provisions

These Rules for the Residential Units located within the Lakefront South Condominiums are established by the Board of Directors, effective as of _____, pursuant to the rule-making and rule-enforcement authority granted to the Board of Directors.

These Rules are in addition to the terms, provisions and covenants contained in the other Documents. If there is a conflict among documents, the order of governing authority shall be as follows: the Allocation Document, Declaration, Certificate of Formation, Bylaws, and these Rules (lowest). The Board of Directors is empowered to interpret, enforce, amend and repeal these Rules.

The Association hereby grants a revocable license in favor of the Manager to interface with the Owners, Tenants and other Persons described in these Rules to effect the Association rights and obligations set forth herein, but not to grant any waivers, make any decisions or otherwise make any independent elections whatsoever beyond the actions specifically authorized by the Association. If the Association, in its sole and absolute discretion, elects to terminate this license in whole or in part, then immediately upon giving notice to the Manager, the license granted in the immediately preceding sentence shall terminate, and the Association may enforce its rights and obligations hereunder itself or through another designated Person.

Further, the Manager has been given the authority by the Association to interface with the Owners and other Persons described in these Rules and to effect the Association's rights and obligations set forth herein, but not to grant any waivers, make any decisions or otherwise make any independent elections whatsoever beyond the actions specifically authorized by the Association. If the Association terminates such authority of the Manager, then immediately the Association may enforce its rights and obligations hereunder itself or through another designated Person, and any reference to the Manager (if the context indicates the Manager is the agent of the Association) shall be to the Association or its designee.

Any and all rules and requirements contained herein may be supplemented by the Board of Directors without prior notice to the Owners and Tenants by addition to these Rules and dissemination of same to the Owners, or by posting of such new Rules in appropriate venues for observance by the Owners and Tenants.

These Rules are solely for the benefit of the Manager, Association, Owners and Board of Directors, as well as their successors, assigns and designees and are not for the benefit and may not be relied upon in any manner by any other Person. The rules shall only apply to the Residential Units and these Rules shall not be deemed to apply to the Commercial Unit.

Section 1.1 Definitions.

The following terms are defined for use in these Rules and those capitalized terms used in these Rules but not expressly defined herein have the same meaning as defined in the Declaration of Condominium Regime for Lakefront South Condominiums (the "Declaration"):

"Balcony Areas." All balcony areas adjacent to individual Residential Units, shown and marked as "Residential LCE" on the Plat and Plans.

"Board of Directors." The Board of Directors of the Association.

"Contractor." Any party performing construction, repair, remodeling or other services for a Unit.

"Manager" or "Management Office." The management staff in such staff's offices who are employees or independent contractors of the Association.

"Recreational Facilities." Those certain amenity areas within the Regime located on level [_____] of the Building.

"Rules." These Rules for Lakefront South Condominiums, including all attachments, as well as any (a) Rules posted by the Association at any time on the Property, (b) any seasonal or temporary rules posted or communicated to the Owners by the Association and (c) any notices of change or warning affecting the use of the Regime, all as may be changed from time to time.

"Tenant." Any Person having the right to occupy a Unit or a portion of a Unit pursuant to a lease granted by an Owner.

Section 1.2 Compliance.

(a) Compliance. Each Owner and all invitees and Persons using or occupying a Unit belonging to such Owner, shall comply with the provisions of the Documents and all Applicable Law, as any of these may be revised from time to time. Each Owner shall be liable for damages to any Person or property for violations of the Documents, whether the Owner commits the violation or guests, Tenants or other invitees of such Owner commit the violation. The Rules contained within any specific section shall not be interpreted to apply to the exclusion of other rules contained in these Rules which would logically apply to the same subject matter.

(b) Waiver. Circumstances may warrant waiver or variance of any provision of these Rules. To obtain a waiver or variance, an Owner must make written application to the Association. The Association will consider such request and respond to the Owner in accordance with the Documents. If the application is approved, the waiver or variance must be in writing from the Association and may be conditioned or otherwise limited. The variance or waiver of any provision of these Rules by the Association for the benefit of any particular Owner shall not be construed as a waiver of any provision of these Rules in favor of any other Owner, nor shall any such waiver or variance prevent the Association from thereafter enforcing any provision of these Rules against any or all of the Owners. Any waiver proposed to be adopted or granted by the Association must be approved in advance and in writing by the Declarant until expiration or termination of the Development Period.

(c) Right to Enforce. The Association has the right to enforce these Rules against any Person who owns or uses any portion of the Regime.

Section 1.3 Obligations of Owners.

(a) Unit Keys; Access Codes. Each Owner shall at all times maintain with the Association a set of all keys required and access codes to enter each separately occupied portion of such Owner's Unit and storage space and shall provide replacement keys to the Association each time a lock on the Unit and storage space is changed. The Association assumes no liability related to possession of the keys and

access codes. Except as specifically set forth in the Documents, keys and access codes shall only be used for emergency access and in the event prior written approval is provided by the Owner.

(b) Damage. Subject to the insurance limitations in Section 1.3(c), an Owner is responsible for any loss or damage the Owner causes to the Unit and the personal property of other Owners. By way of example but not limitation, an Owner is responsible for water damage to the other Units due to water which emanates from such Owner's Unit, including leaks or overflows of sinks, tubs, showers, shower pans, toilets, dishwashers and clothes washers. In case of continuous water overflow, the Owner should immediately turn off the water source within such Unit. Any damage to plumbing pipes, drains and apparatus resulting from misuse, or from unusual or unreasonable use, shall be borne by the Owner causing such damage.

(c) Insurance. Except as provided in Section 1.3(b) above, an Owner assumes full risk and sole responsibility for placing such Owner's personal property in or on the Property. Each Owner is solely responsible for insuring such Owner's personal property on the Property. Each Owner is required to carry the insurance set forth in the Documents.

(d) Reimbursement for Enforcement. Each Owner shall reimburse the Association for any expense incurred by the Association to enforce the Documents against such Owner or such Owner's Unit as provided in the Declaration.

(e) No Estate Sales. Without the Association's prior written permission, an Owner may not conduct on the Property a sale or activity that is advertised or attractive to the public, such as "estate sales," "yard sales" or "garage sales." This Section 1.3(e) does not apply to marketing the sale or rental of a Unit, unless combined with a prohibited activity.

Section 1.4 Community Etiquette in the Units and Limited Common Elements.

(a) Courtesy. Each Owner will endeavor to use such Owner's Unit and any portion of the Common Elements in a manner calculated to respect the rights and privileges of other users of the Property. Each Owner will refrain from conduct that may reasonably be expected to materially endanger the health or safety, annoy, harass, inconvenience, embarrass or offend the average Owner or other users of the Common Elements, including employees, or to reduce the desirability of the Regime as a mixed-use community.

(b) Visitors. Visitors to Units may be required to register at the lobby desk.

(c) Code of Conduct. All Persons will conduct themselves in a civil manner when dealing with the Association's designees and other Owners. In return, such Persons are due the same courtesy and civility. The following actions are expressly prohibited: (i) verbal abuse; (ii) insults and derogatory name-calling; (iii) cursing; (iv) aggressive or threatening behavior; (v) hostile touching or physical contact; (vi) sexual harassment; (vii) publicly posting correspondence; and (viii) any harrassment or similar activities directed toward other Persons within the Property, including Owners, Occupants and their respective guests and invitees, Manager's employees, agents or support staff, and the Association's directors, officers, volunteers, employees. For purposes of this Rule, harassment include one or more of the follwing:

(i) striking, shoving, kicking, or otherwise touching a person, or subjecting such person to unwanted physical contact; or

(ii) directing obscene language or making an obscene gesture to or at another person; or

(iii) following a person in or about a public place in a harassing manner; or

(iv) initiating communication with another (whether in person, via telephone or other electronic system) in order to verbally assault, harass or threaten bodily injury or property damage or to communicate obscenities; or

(v) making telephone calls, sending emails or other electronic communications that are designed – by their tone or frequency – to harass or intimidate, whether or not a conversation ensues.

The Association and Manager may exercise all available enforcement rights in the event of a violation of this Rule, include without limitation engagement of authorities.

(d) Employees. An Owner may not instruct, direct or supervise, or interfere with the performance of duties by employees or agents of the Association or other Owners (including the Manager and its employees and agents), unless directed to do so by the Association (with respect to the Association's employees or agents).

(e) No Hiring of Employees. The employees and agents of the Association, Owners and Manager are not permitted or authorized to render personal services to Owners or Tenants, including but not limited to performing services such as walking or caring for pets. The Owners will not request or encourage employees or agents to violate this provision. Emergency situations or requests through the Manager for staff assistance, at such Owner's or Tenant's expense, should be addressed directly to the Manager.

(f) Communications among Owners. The Association balances the right of members to communicate with each other against the desire of Persons to be free of uninvited solicitations and misleading communications. To achieve that balance, oral and written communications that are intended for delivery to more than one Owner are subject to this Section 1.4(f).

(i) Without the Board of Director's prior written permission, Owners may not communicate with others in a manner that may give the impression of having been approved or sanctioned by the Association. In communicating with other Owners, the issuer should identify himself and state that the communication has not been sanctioned by the Association.

(ii) Without the Board of Director's prior written permission, a Person may not distribute handbills or hand deliver written communications to mailboxes, Unit doors or car windshields within the Building.

(iii) Without the Board of Director's prior written permission, a Person may not solicit information, endorsements or money from Owners or Tenants, or circulate petitions, except via the U.S. mail.

(g) Attire. Owners must wear neat and clean street attire, and are prohibited from wearing lingerie and pajamas as outerwear and being barefoot, in the elevators, lobby and other portions of the Property. A Person en route to or from the swimming pool shall wear a shirt or beach robe over swimming attire.

(h) Noise and Odors. Subject to the provisions of these Rules allowing construction, each Owner will exercise reasonable care to avoid making loud, disturbing or objectionable noises or noxious odors that are likely to disturb other Owners.

(i) Reception Interference. Owners will avoid doing or permitting anything to be done that may unreasonably interfere with the television, radio, telephonic or electronic reception on or about the Property.

(j) Packages. Each Owner agrees that the Board of Directors, the Association, all Owners, the Manager, the Declarant and each of their respective designees are not responsible for any item or article left with or delivered to such Persons on behalf of such Owner or Tenant.

(k) Wildlife. Feeding of birds, squirrels or any wildlife is prohibited on the Property.

(l) Smoking. Unless enforcement of this provision is prohibited by Applicable Law, all forms of smoking are **PROHIBITED** within the Building, the General and Limited Common Elements, Commercial LCE, Residential LCE, elevators, hallways, garages, Units, and the balconcy, terrace, or couryard of a Unit. Smoking, for the purpose of this provision, means the inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, pipe, weed, plant, any electronic smoking device, or other combustible substance in any manner or in any form. An electronic smoking device, for the purpose of this provision, means any product containing or delivering nicotine or any other substance intended for human consumption that can be used by a person to inhale or simulate smoking through the inhalation of vapor or aerosol from the product, and includes any such device, whether manufactured, distributed, marketed, or sold as an e-cigarette, e-cigar, e-pipe, e-hookah, or vape pen, or under any other product name or descriptor, and any aerosol, liquid, or vapor used in such a device.

Section 1.5 General Use and Maintenance of Units.

(a) Right of Entry. The Association and Declarant may enter a Unit as provided in the Documents. In case of an emergency, the right of entry is immediate and, if the Owner has failed to provide a door key or access codes or refuses to provide entry, the Owner is liable for the cost of repairs caused by the chosen method of access under such circumstances.

(b) Maintenance. Any maintenance work on a Unit of a non-de minimus nature or involving more than One Thousand Dollars ($1,000) in value shall require an executed copy of an agreement substantially in the form attached as Attachment A to these Rules to be provided to the Architectural Reviewer.

(c) Balcony Area. Each Owner will take care that the cleaning of such Owner's Balcony Area does not annoy or inconvenience other Owners. Nothing shall be thrown or swept out of any windows, doors or Balcony Areas or any portion of the Common Elements, and no mops, brooms, dusters, rugs or bedding shall be shaken or beaten from any windows, doors or Balcony Areas or any portion of the Common Elements. A Balcony Area may not be used as a pet waste area. A Balcony Area may not be used for storage purposes. If the Association determines that a Balcony Area is unsightly (including the need for any cleaning of windows or doors and the presence of any balcony decorations visible from outside the Unit), the Association may give the Owner notice of such condition and a reasonable time period in which to correct it, after which the Association may take corrective action at the Owner's expense. Although items or objects such as doormats, furniture, plants and decorative items may be placed on the Balcony Areas, the Association reserves the right to determine whether a Balcony Area is unsightly or cluttered and may, in its sole discretion, request the removal of such items. An Owner who

does not remove such items in a reasonably timely manner shall be subject to a fine or other penalty pursuant to the Documents and/or to the disposal, and any applicable cost of disposal, of such items by the Association. The Association shall not be liable for the cost or value of any item disposed of in accordance with this paragraph. Items may not be positioned on Balcony Areas in a manner which may unreasonably endanger such items of falling or being blown off of such Balcony Areas.

(d) Water Features. The use or installation of fountains, ponds, pools, hot tubs, whirlpools or Jacuzzis (portable or permanently installed) in a Unit or on a Balcony Area is prohibited, except where prior written consent has been granted by the Association. This rule does not apply to a customary bathtub fixture with water jets located within a Unit, but not on the Balcony Area, that is installed pursuant to all Applicable Law.

(e) Prohibition of Outdoor Cooking or Heating Equipment. The use of outdoor cooking or heating equipment by Owners is prohibited anywhere in the Units or Common Elements (excluding any equipment that is part of the Recreational Facilities), including the use of charcoal grills, or gas grills and hibachis, except where prior written consent has been granted by the Association. Notwithstanding the foregoing, the Association may from time to time provide Owners with approved brands and types of electric grills that are permitted on the Balcony Areas.

(f) Combustibles. Except those retail products sold for exclusive use as cleaning products, an Owner may not store or maintain explosives or other combustible materials anywhere on the Property, including within a Unit or storage space. Notwithstanding the foregoing, Owners may store ammunition held for personal safety or off-site recreational use.

(g) Water Cut-Off. Except as allowed by the Documents or in the case of an emergency, no Person may interfere with or interrupt the Property's water lines, including water lines to any Unit, without the prior knowledge and cooperation of the Association.

(h) Report Malfunctions. An Owner shall immediately upon discovery, report any leak, break or malfunction in any portion of the Property to the Manager. The Manager shall communicate such leaks, breaks, malfunctions or other repair needs between each other as appropriate to effectuate the proper repair. An Owner who fails to promptly report a problem in such Owner's Unit may be deemed negligent and may be liable for any additional damage caused by the delay, if such Owner reasonably should have known further damage would likely occur due to the delay in reporting such problem.

(i) Utilities. Owners shall not overload existing electrical circuits and plumbing facilities in such Owners' Unit.

(j) CPVC Pipes. The Building may utilize chlorinated polyvinyl chloride ("CPVC") pipes. In order to avoid any cracks or fractures to develop in the CPVC pipes, an Owner shall in no event:

(i) Stack, support, hang equipment, or hang flexible wire/cable, especially communications cable, or other material on CPVC pipes or any portion of the fire sprinkler system;

(ii) Expose the CVPC pipes to incompatible substances, such as cutting oils, non-water-based paints, packing oils, traditional pipe thread paste and dope, fungicides, termiticides, insecticides, detergents, bulking caulking, adhesive tape, solder flux, flexible wire/cable (with special consideration for communications cabling), and non-approved spray foam insulation materials;

(iii) Expose the CVPC pipes to edible oils, solvents, or glycol-based anti-freeze fluids;

(iv) Expose CVPC pipes to any type of paint, primer, or overspray;

(v) Expose CVPC pipes to an open flame, solder, and soldering flux;

(vi) Drop, distort, or impact CVPC products or allow objects to be dropped on them;

(vii) Handle CVPC pipes with gloves that have been contaminated with oils (hydrocarobs) or other incompatible materials such as cutting oils, non-water-based paints, packing oils, traditional pipe thread paste and dope, fungicides, termiticides, insecticides, detergents, bulking caulking, adhesive tape, solder flux, flexible wire/cable (with special consideration for communications cabling), and non-approved spray foam insulation materials;

(viii) Inject the CVPC pipe system with microbiologically controlled corrosion inhibitors unless they are listed in combination with the system;

(ix) Allow approved spray foam insulation materials to come in contact with CPVC pipes unless by an installer approved by the CPVC manufacturer and then only in strict compliance with all installation instructions.

Any damage to CPVC pipes resulting from a violation of this Section 1.5(j) shall be borne by the Owner causing such damage.

(k) No Right to Vent or Cut Into Chases, etc. Subject to the Documents and the initial design of the Improvements, under no circumstances whatsoever, may any Owner, directly or indirectly, vent or cut into any chute, duct, conduit or vertical chase or any plumbing that serves a Unit.

(l) Infestation. No Owner shall permit or suffer a condition within the Owner's Unit that encourages the infestation thereof by pests, insects, rodents or other vermin. Failure to comply with the foregoing, or the failure to report such infestation to the Association as soon as the Owner is aware of same, will render such Owner liable for all costs and expenses incurred in having to eradicate such infestation.

(m) Window Air Conditioning Unit. No window heating or air conditioning unit shall be installed within any Unit.

(n) Valet Services. The Association may, but is not obligated to, provide valet services at the Regime to accommodate any Commercial Unit(s) or Residential Units. The Association may, at its sole discretion, include any costs and expenses associated with the valet services as a part of the Common Expenses, which will be allocated as set forth in the Declaration, or as otherwise determined by the Association in its sole discretion.

Section 1.6 General Use of Common Elements.

(a) Access Cards or Other Access Controls. Admittance to Common Elements may require use of a coded access card, in which case an appropriate card will be issued to Owners through the Management Office. Access cards are personal to the Person to whom they are issued and may not be transferred or assigned except to Tenants or other third parties provided that such transfer or assignment has been approved by the Management Office and all documentation required by the Association has been completed to the satisfaction of the Manager and submitted to the Management Office. Any Person in possession of an access card will, upon request of the Association, produce a valid driver's license or other picture identification. An access card found in the possession of a Person to whom it is not issued will be confiscated. Replacement of a lost or confiscated access card, or the purchase of an additional

access card, requires payment of a fee set by the Association. The Management Office will issue two (2) cards per Unit at no cost to the Owners, and for an additional fee from time to time may issue an additional card per Unit.

(b) Recreational Facilities. The Recreational Facilities are the only recreational facilities at the Regime. No other portions of the Common Elements may be used for recreation, sports, exercise or play.

(c) Hallways. No item or object of any type may be stored, placed or maintained on the hallways or stairwells. The exterior of a Unit, including the front door or windows, may not be decorated or customized.

(d) Use of Elevators. The Association may designate one (1) of the elevators within the Regime for use as a casual (service) elevator to be used by service workers and by any Owner (i) accompanied by pets, (ii) dressed in swimming, exercise or workout attire, (iii) carrying bulky parcels or (iv) moving furniture or similar large items. All Persons shall use care when transporting bicycles in the elevators.

(e) Fire and Safety. Except in the event of a relevant emergency, no Owner or Person may use, tamper with, pry open or modify any fire or safety equipment on the Property, including alarms, extinguishers, monitors and self-closing doors. Each Owner must be familiar with fire safety and evacuation plans and must participate in fire drills that occur when the Owner is at the Property.

(f) Landscaping. No Owner shall harm, mutilate, alter, litter, uproot or remove any of the landscaping work on or within the Common Elements, or place or affix any planters, statues, fountains ornamental objects or artificial plants upon any portion of the Common Elements (other than the Balcony Areas as provided in these Rules), without the prior written consent of the Association. Digging, planting, pruning and climbing in any landscaped areas on (other than the Balcony Areas as provided in these Rules) is expressly prohibited.

(g) Clotheslines. No hanging or drying of clothes shall be allowed on (or within) any portion of the Property, and no pulley clothesline or similar device shall be affixed to or used in connection with any Unit.

(h) Guests. Except for Tenants, a non-owner of a Unit may not use the Recreational Facilities, unless accompanied at all times by an Owner. The right of an Owner to share the use of these facilities with such Owner's guests or invitees is at all times subject to the immediate termination by the Association if the Documents are violated or if such termination is deemed by the Association to be in the Association's best interests.

(i) Animals Prohibited. Other than assistance animals required by Applicable Law, no animals or pets are permitted in the Recreational Facilities, except for the dog park and dog wash (unless authorized by the Association) at any time.

(j) Disturbances Prohibited. No loud sounds or boisterous conduct is permitted in the Recreational Facilities at any time, however, the reasonable use of a radio, television, cd player, or similar device is permitted either (i) during periods when an Owner and such Owner's guests are the sole users of such facility or (ii) if operated with headphones.

(k) Parking Spaces and Storage Spaces.

(i) Right to Use. Except as otherwise specifically provided in the Documents, no Person shall have the right to use a parking space in the parking garage and/or an assigned storage space except the Owner to whom such parking space and/or storage space is assigned pursuant to the Documents.

(ii) Care and Maintenance of Storage Spaces. Each Owner shall obtain and maintain safe and acceptable locks on its storage space. No Person shall have a duty to any Owner to furnish smoke detectors, security guards, or additional locks and latches, except as required by Applicable Law. Owners shall use reasonable diligence in the care and minor repair of the storage spaces and shall not make any substantial alterations to the storage spaces without prior written permission of the Association. Owners shall not place nor permit any water furniture in the storage spaces; make any holes in the woodwork, floors or walls of the storage spaces; or store any paint, highly flammable or hazardous materials, food products, or any items that attract vermin or produce odor within the storage spaces. Doors to the storage spaces shall not be replaced by Owners without the prior written permission of the Association. All approved replacement doors must be of substantially similar materials, construction and appearance as the original doors to storage spaces.

(iii) Liability for Storage Spaces. Each Owner agrees that no other Owner or Person shall not be responsible for items stored by such Owner in its storage space nor shall other Owners or Persons be liable to Owners entitled to use storage spaces, nor to such Owners' guests, invitees or other occupants, for any damages, injuries, or losses to person or property caused by fire, flood, water leaks, ice, snow, hail, winds, explosion, smoke, interruption of utilities, theft, burglary, robbery, assault, vandalism, acts of other persons, condition of the storage spaces, or other occurrences, unless such damage or injury is caused by the gross negligence of such other Owners or Persons or their agents. The Owners entitled to use storage spaces shall be responsible for securing insurance coverage for protection against the above liabilities and losses. Owners shall notify the Association immediately of any dangerous conditions within or about the storage spaces.

Section 1.7 Use of Recreational Facilities.

(a) Access to Recreational Facilities. The Association may (i) designate the hours of access to and operation of the Recreational Facilities, (ii) restrict the use of the Recreational Facilities by requiring pre-scheduling and limiting the amount of time available to each Owner to ensure fair access and (iii) restrict the use of the Recreational Facilities for special bookings through the Management Office for activities such as organization of aerobics classes or work out classes by personal trainers or organization of informative classes with respect to diet, exercise and health issues or social activities. Owners or other authorized Persons using the Recreational Facilities must, at all times, respect the rights and privileges of others using the Recreational Facilities.

(b) Income from Recreational Facilities. All income or proceeds received in connection with the Recreational Facilities is the property of the Association.

(c) Number of Guests. At any one time, an Owner may not have more than four (4) guests per Unit using the Recreational Facilities. By reservation through the Management Office, functions involving a larger number of guests may be permitted. Reserved functions must be confined to the specific Recreational Facility reserved, and the host Owner must ensure that such Owner's guests do not use the other Recreational Facilities.

(d) Glass Containers Prohibited. Containers made of glass are not permitted at any time in the Recreational Facilities.

(e) Swimming Pool. The following rules will condition any use of the swimming pool in the Recreational Facilities: (i) customary bathing attire must be worn in the swimming pool; (ii) street clothes, cutoffs, underwear and nude bathing are not allowed in the swimming pool; (iii) no floats, pool toys or balls are permitted; (iv) pool furniture may not be removed from the swimming pool area; and (v) running, rough play, wrestling, excessive splashing and loud behavior are prohibited in the pool area.

(f) Fitness Center. The following rules will condition any use of the fitness center in the Recreational Facilities: (i) customary exercise attire must be worn in the fitness center; (ii) street clothes, cutoffs and underwear (without other clothing) are not allowed in the fitness center; (iii) furniture may not be removed from the fitness center and (iv) running, rough play, wrestling and loud behavior are prohibited in the fitness center. Before the initial visit to the Property, all personal trainers of the Owners must register with the Manager by completing the provided information form and providing a copy of their certificate of insurance, as may be requested by the Association.

(g) Minors. Any children under the age of fourteen (14) must be accompanied by an adult when using any Recreational Facilities.

Section 1.8 Health and Well-Being.

For the health, well-being and enjoyment of all Owners, the following limitations and restrictions will be observed:

(a) Conduct on the Property. While on the Property, all individuals will conduct themselves in a respectable manner without causing danger or offense to themselves or others at the Property.

(b) **Safety Disclaimer. Certain Persons may, but are not obligated to, maintain or support certain activities within the Property designed to make the Regime less attractive to intruders than it otherwise might be. The Board of Directors, the Association, all Owners, the Manager, the Declarant and each of their respective successors, assigns or designees will not in any way be considered an insurer or guarantor of security within the Property, and may not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken or not undertaken. Each Owner, guest and invitee on the Property assumes all risk for loss or damage to such person, such owner's Unit, to the contents of such owner's Unit, and to any other property on the Property. The Board of Directors, the Association, all Owners, the Manager, the Declarant and each of their respective successors, assigns or designees expressly disclaim and disavow any and all representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any security systems, equipment or measures recommended, installed or undertaken within the Property.**

Section 1.9 Policy and Procedures Regarding Unit Alterations and Modifications. As set forth in the Declaration, the Architectural Reviewer's prior written approval is required prior to any construction, alteration, addition, improvement, installation, modification, redecoration or reconstruction of a Unit. Any proposed construction, alteration, addition, improvement, installation, modification, redecoration, or reconstruction of a Unit must comply with the following policies and procedures.

(a) Prior Approval Required for Changes to the Common Elements.. Except as set forth in the Declaration, without the prior written approval of the Architectural Reviewer, an Owner (other than

Declarant) may not change, remodel, decorate, destroy or improve the Common Elements, or do anything to change the appearance of the Common Elements, including the parking spaces, hallways, hallway entry doors or windows or Balcony Areas.

(b) Prohibited Changes to a Unit. Except as set forth in the Declaration, without prior written approval of the Architectural Reviewer, an Owner (other than Declarant) may not make structural alterations or modifications to a Unit.

(c) Flooring. Before Owners have the right to install any uncushioned flooring in their Unit, such Owners must confirm with the Architectural Reviewer what product must be placed under such flooring and material specifications must be submitted to the Architectural Reviewer for approval prior to the floor materials being installed within a Unit. Owners must bear the total and complete responsibility for any and all problems, damages, and claims arising out of, or pertaining directly or indirectly to, any undesirable or excessive noise which occurs as a result of the hard surface flooring installed in an Owner's Unit.

(d) Windows and Doors. The interior hall and exterior doors (and the hardware of such doors) and windows of a Unit must conform to the building standard unless otherwise approved in advance by the Architectural Reviewer. No enclosures, awnings, shades or shutters shall be erected over or outside any windows or Balcony Area appurtenant to any Unit, and no exterior doors or windows shall be removed, replaced or changed in any way, without the prior written consent of the Architectural Reviewer. All door and window treatments visible from the exterior of the Unit shall be neutral in color and shall not be foil. Nothing shall be placed on the outside of window sills or projections or upon any patio railings of the Unit, without the prior written consent of the Architectural Reviewer. No screen or storm doors or windows shall be installed within any existing door or window openings appurtenant to the Unit. An Owner may not alter the color or appearance of the glass surfaces in such Owner's windows from the building standard.

(e) Balcony Areas. Because certain materials trap moisture which deteriorates the balcony structure, Balcony Areas may not be covered or resurfaced without the Architectural Reviewer's prior written permission. The use of carpeting is prohibited on Balcony Areas. Rugs placed within Baloncy Areas must be of a design and constructed of materials for outdoor use. Artificial turf is prohibited. A Balcony Area may not be enclosed.

(f) Application for Architectural Reviewer's Approval. As part of the application to the Architectural Reviewer for written consent for any alteration or modification covered under this Section 1.9, an Owner (other than Declarant) must submit to the Architectural Reviewer complete plans and specifications showing the nature, kind, shape, size, materials, colors, connection to Regime systems and location for all proposed work and any other information reasonably requested by the Architectural Reviewer.

(g) Construction Hours. Without the Architectural Reviewer's prior permission, no construction may be performed in any Unit by any Person except between the hours of 8:00 a.m. and 5:00 p.m. on business days.

(h) Understanding and Agreement Concerning Contract Work. As a condition to the Architectural Reviewer's written approval of any construction work for the alteration or modification of a Unit, the Owner and the Contractor must execute and deliver to the Architectural Reviewer an agreement substantially in the form of the document attached as Attachment A to these Rules. Notwithstanding the

foregoing, this Section 1.9(h) shall not apply to the interior painting or installation of an audio video system within a Unit.

(i) Architectural Approval Not Required. Notwithstanding any provision herein to the contrary, Architectural Reviewer approval is not required for the following:

(i) interior painting;

(ii) installation of interior Unit wall treatments, e.g., wallpaper;

(iii) installation of ceiling fans and lighting fixtures within a Unit provided that no structural modifications to the Unit are required and further provided that the necessary electrical infrastructure is already in place;

(iv) installation of an audio video system within a Unit provided that no structural modifications to the Unit are required; and

(v) installation of modular shelving or storage provided that no structural modifications to the Unit are required.

Section 1.10 Owner Vehicle Restrictions.

(a) Authorized Vehicles. To be permitted on the Common Elements, a vehicle must be operable and must display a current license tag and current inspection sticker. To use any garage or valet parking services, an Owner's vehicle must have a current parking sticker or reader issued by the Manager. For purposes of these Rules, unless otherwise determined by the Association, permitted vehicles include automobiles, motorcycles, motorized bikes, passenger trucks, small vans, SUVs and similar passenger vehicles not exceeding twenty feet (20') in length, seven feet (7') in height and eight feet (8') in width.

(b) Motorized Vehicle Prohibitions. Commercial vehicles, including trucks, trailers, or vans; recreational vehicles; buses; boats; water craft and machinery or equipment are prohibited on any portion of the Common Elements. No vehicle shall be parked on any portion of the Common Elements other than in a designated parking space without the prior written consent of the Association. No servicing or repairs shall be made to any vehicle either on or within the Common Elements, except for emergency repairs as necessary to enable movement of the vehicle to a repair facility. No vehicle shall be driven on or within any part of the Common Elements, other than on a driveway or designated parking space. Car washing by Owners is prohibited anywhere on the Common Elements, however, third party car washing services are not prohibited. Parking spaces shall only be used for vehicle parking purposes.

(c) Non-Motorized Vehicle Prohibitions. All non-motorized vehicles must be stored in the locations permitted by the Documents or specified by the Manager. Non-motorized wheeled or similar devices may not be ridden, and must be walked, on the Property.

(d) Proper Placement. Each vehicle must be parked straight-in (not angled or sideways), so that it does not occupy more than one (1) space within the parking spaces. Motorcycles or bicycles may not be chained to buildings, fences or any other part of the Property, unless designated for that purpose.

(e) Nuisances. Each vehicle must be muffled and must be maintained and operated to minimize noise, odor and oil emissions. The use of car horns on the Common Elements is discouraged, except for the judicious use of a horn for right of way. Signs advertising a vehicle "for sale" are prohibited. No vehicle may be kept on the Property if the Association deems it to be unsightly, inoperable, inappropriate or otherwise in violation of these Rules.

(f) Fire lanes/Obstructions. No vehicle may be parked in a manner that impedes or prevents ready access to the Property, driveways, parking spaces or parking garage. No Owner's vehicle may obstruct the flow of traffic, constitute a nuisance or otherwise create a safety hazard. No vehicle may be parked, even temporarily, in spaces reserved for others, in fire lanes or in any area designated as "No Parking."

(g) Operation of Vehicles.. All vehicles on the Property must adhere to speed limits, painted directional arrows, painted drivelanes and otherwise obey all posted traffic signage including, but not limited to, speed limit, right-of-way, directions and information. No vehicle may be operated in a manner that endangers the health or safety of other Persons. The driver of each vehicle on the Property is subject to Texas law and must observe safe driving principles at all times. All vehicles entering the parking garage on the Property must yield to oncoming traffic. All vehicles traveling out of and/or down the parking garage have the right-of-way. Each Owner and any other Person including, but not limited to, guests, delivery contractors and service contractors, is solely responsible for any property damage, injury or disturbance such Owner's or Person's vehicle may cause. The Board of Directors, the Association, all Owners, the Manager, the Declarant and each of their respective successors, assigns or designees disclaim any and all liability or responsibility for property damage, injury or death occurring from use of the parking garage.

(h) Recreational Personal Transportation Devices. Any recreational personal transportation devices ("**PTA**"), such as hoverboards, e-bicycles and e-scooters, electronic skateboards, or rollerblades should not be used or charged within a Residential Unit or Parking Garage, and must be stored and charged in such areas as designated by the Association or Manager. PTAs may not be ridden, and must be walked or carried, within the Property.

(i) Violations. A vehicle, non-motorized device or PTA in violation of these Rules may be stickered, wheel-locked, towed or otherwise removed from the Property by the Manager at the Owner's expense. **The Board of Directors, the Association, all Owners, the Manager, the Declarant and each of their respective successors, assigns or designees expressly disclaim any liability for damage to vehicles occasioned by the exercise of these remedies**.

Section 1.11 Pets in the Regime.

(a) Subject to Rules. Owners may not keep or permit on the Property an animal of any kind, at any time, except a pet permitted by these Rules, the Documents and Applicable Law. There shall be allowed domesticated dogs, cats and/or fish on the Property. No animals may be kept, bred, or maintained for any commercial purpose and may not become a nuisance or annoyance to neighbors. Additionally, no Owner may keep a dangerous or exotic animal, potbellied pig, snake, trained attack dogs or other animal deemed by the Board in its sole discretion to be a potential threat to the well-being of people or other animals. All pets must be registered with the Board. Owners must immediately pick up all solid waste of their pets and dispose of such waste appropriately. The Board may adopt rules regarding an area(s) designated for the walking of pets and procedures for taking the pets to such area(s). Without limiting the generality of this Section 1.11(a), violations of the provisions of this Section 1.11(a) 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. No one other than an Owner or an Occupant is permitted to keep any pet. Notwithstanding the foregoing, prior to the installation of a fish tank exceeding thirty (30) gallons, an Owner must deliver plans for such tank to the Board for its written approval. The Board may require a review by a structural engineer at the sole expense of the Owner prior to the approval or disapproval of such plans.

(b) Pet Agreement. Owners must complete a pet registration agreement, in the form of the document attached as Attachment C to these Rules, which must be filed with the Management Office immediately upon acquiring a pet or the Owner occupying a Unit.

(c) Indoors/Outdoors. An Owner's permitted pet must be maintained inside Unit and may not be on a Balcony Area except when the Owner is on the Balcony Area. No pet may use a Balcony Area as a latrine area.

(d) Leashes. Pets must be leashed or carried while in any portion of the Property outside of the Units other than an area designated as an "off leash" area, if any. Pets may not be leashed to a stationary object on any portion of the Property outside of the Units.

(e) Disturbance. Pets must be kept in a manner that does not disturb another Owner's peaceful enjoyment of such Owner's Unit or any Person elsewhere on the Property, outside of the Units. No pet may be permitted to bark, howl, whine, screech or make other loud noises for extended or repeated periods of time, or to create a nuisance, odor, unreasonable disturbance or noise.

(f) Damage. Each Owner is responsible for any property damage, injury or disturbance such Owner's pet may cause. An Owner who keeps a pet at the Regime is deemed to indemnify and agrees to hold harmless the Board of Directors, the Association, all Owners, the Manager, the Declarant and each of their respective successors, assigns or designees from any loss, claim or liability of any kind or character whatever resulting from any action of such Owner's pet or arising by reason of keeping or maintaining the pet at the Regime.

(g) Dog Walk and Pooper Scooper. Pets must only use designated areas to relieve themselves. Owners are responsible for the removal of pet wastes from the Property. The Association may levy a fine or take other action against an Owner each time feces or urine are discovered on any portion of the Property outside of the Units and are attributed to an animal in the custody of such Owner.

(h) Removal. If an Owner or such Owner's pet violates these Rules, the Owner or Person having control of the animal may be given a written notice by the Association to correct the problem. After the first written warning, a fine in the amount of at least Fifty Dollars ($50.00) shall be levied for all future violations. If violations occur repeatedly, the Owner, upon written notice from the Association, may be required to remove the pet. Each Owner agrees to permanently remove the violating animal of such Owner from the Property within ten (10) days after receipt of such removal notice.

(i) Compliance. To the extent mandated by Applicable Law, disabled Owners who are unable to comply with these Rules because of their disability shall receive a variance from the Association.

Section 1.12 Tenant and Owner Moving. Declarant reserves the right, without the consent of the Association, to modify the move-in rules associated with the initial occupancy of Units acquired from the Declarant.

(a) Notice. The time and date of all Unit moves must be scheduled in advance with the Association, and dock usage is subject to availability. All Persons must give the Manager prior written notice of any requested move of furniture, appliances or other large or heavy objects to or from a Unit, and must complete the required move form attached as Attachment B. All move requests will be granted subject to availability. Additionally, the requirements set forth in this Section 1.12 may be waived by the Declarant or the Association for the initial move-ins in the Regime.

(b) Times. Moves must be performed between 8:00 a.m. and 5:00 p.m. Monday through Saturday, holidays excepted. It is the Owner's duty to notify movers and any other coordinating parties about these Rules.

(c) Deposits. Scheduling a move and reserving an elevator may require payment of a deposit which shall be in an amount set by the Association. Such deposit will be refunded to the Owner within ten (10) days after the move, to the extent there is no damage to any portion of the Property or other violation of these Rules.

Section 1.13 Miscellaneous.

(a) Mailing Address. An Owner who receives mail at an address other than the address of such Owner's Unit is responsible for maintaining with the Association, such Owner's singular current mailing address. An Owner who changes such Owner's name or mailing address must notify the Association, as applicable, in writing within ten (10) days after the change. Notifications of change of name or change of address should be clearly marked as such. All notices required to be sent to Owners by the Documents will be sent to an Owner's most recent address as shown on the records of the Association. If an Owner fails to provide a forwarding address, the address of such Person's Unit is deemed effective for purposes of delivery.

(b) No Waiver. The failure of the Association to enforce a provision of these Rules does not constitute a waiver of the right of the Association to enforce such provision in the future or to treat Owners differently in enforcing these Rules.

(c) Severability. If any term or provision of these Rules is held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding will not affect any other term or provision of these Rules.

(d) Amendment of Rules. These Rules may be revised, replaced, amended or supplemented by the Association. Owners are urged to contact the Management Office to verify the Rules currently in effect on any matter of interest. These Rules will remain effective until ten (10) days after the Association delivers to each Owner, or publishes and distributes in an Association newsletter or other community-wide publication, notice of amendment to, or revocation of, these Rules.

(e) Complaints. Any complaints about violations of these Rules shall be made in writing to the Association, and shall identify the type of infraction and the date of infraction and must be signed by the witness to the infraction.

(f) Other Rights. These Rules are in addition to all rights of the Association under the other Documents and the Applicable Law.

(g) Release. Although all Owners are required to sign releases of liability releasing and holding harmless the Board of Directors, the Association, all Owners, the Manager, the Declarant and each of their respective successors, assigns or designees from any and all liability, claims, losses and actions arising out of or in connection with the use of any of the Common Elements, the mere ownership or occupancy of a portion of a Unit, or use of the Common Elements, in and of itself, by any Person shall constitute a full and complete release and indemnification of the Board of Directors, the Association, all Owners, the Manager, the Declarant and each of their respective successors, assigns or designees arising out of and in connection with any such activities. The Board of Directors, the Association, all Owners, the Manager, the Declarant and each of their respective successors, assigns and designees expressly disclaim

and disavow any and all representations or warranties, expressed or implied, including any warranty of fitness or safety for any particular purpose, relative to any of the Common Elements or any property associated with the Common Elements.

(h) Risk. Each Owner and any other Person uses the Common Elements and such Person's Unit at such Person's own risk. The Common Elements and the Recreational Facilities are unattended and unsupervised. Each Owner and any other Person is solely responsible for such Owner's, guests of Owners or Person's own safety. The Board of Directors, the Association, all Owners, the Manager, the Declarant and each of their respective successors, assigns or designees disclaim any and all liability or responsibility for property damage, injury or death occurring from use of the Common Elements and the Recreational Facilities.

ATTACHMENT A

UNDERSTANDING AND AGREEMENT CONCERNING CONTRACT WORK WITHIN A UNIT

OWNER:_____

CONTRACTOR:_____

UNIT:_____

APPLICATION FEE:_____ **(Check No. _____)**

DATE SUBMITTED:_____

Owner and Contractor, do hereby state that they each have full knowledge of and will comply with the following rules pertaining to any contract work in Lakefront South Condominiums (the "Condominium"). Contractor will furnish these rules to its subcontractors and workers for signature.

1. Prior to commencement of work, Owner shall have complied with the following:

(a) Submit plans for the work in accordance with the Policy and Procedures Regarding Unit Alterations and Modifications, attached hereto as Exhibit "A".

(b) Pay an application fee of Two Hundred Dollars ($200.00) for projects with a total cost under Five Thousand Dollars ($5,000.00); five percent (5%) of the total cost of the construction proposal, not to exceed Two Thousand Five Hundred Dollars ($2,500.00), for projects over Five Thousand Dollars ($5,000.00) total cost. The application fee is non-refundable.

(c) Ensure that the Contractor has provided a certificate of insurance for required coverages on Exhibit "B" to this Understanding and Agreement Concerning Contract Work within a Unit.

2. All work will be performed in accordance with the requirements of applicable city and county codes, and the Contractor shall secure applicable building permits, if required by applicable law. A copy of each permit will be provided to the Manager prior to the commencement of work.

3. All Contractors, subcontractors and workers must check in daily with the Manager to receive a badge. Badges will not be issued for admittance to the Regime unless the Contractor has signed this agreement and provided a list of all individuals, with appropriate identification as determined by the Manager, who will be performing the work. Badges lost or not returned will result in an additional charge of at least Twenty Dollars ($20.00) each payable by the Owner.

4. Work may be performed only during the hours from 8:00 a.m. to 5:00 p.m. on weekdays. No work shall be performed on Saturday, Sunday or Holidays, without prior approval of the Architectural Reviewer. The Contractor shall provide at least three (3) business days' of prior notice to the Manager of anticipated unusual or noisy work that will be conducted within a Unit; for example, any work that may set the smoke alarm off such as sanding or welding, and removing tile or flooring.

5. The Owner will be responsible for ensuring that all Contractors and its workers keep hallways, elevators and other portions of the Property clean. Drop cloths or plywood shall be used to

prevent soiling or damaging of the Property. If building personnel or others hired for such purpose are required to clean the Property as a result of work described in this Agreement, the Owner will be charged at a minimum of Thirty Dollars ($30.00) per hour per person.

6. Smoke detectors shall not be disconnected except by as directed by the Manager. Detectors shall be masked off by the Contractor for painting and sanding. The firewall system within the Building may not be altered in any way. Neither the fire dampers nor any extension or duct attached to the opening thereof shall be disturbed in any way unless satisfactory access to the fire damper is provided. The dryer exhaust shafts must not be altered or disturbed. Any work that involves modifications to these systems, dampers, or shafts must be done with the necessary regulatory permits and with the advance written approval of the Architectural Reviewer.

7. Spray painting with oil base or lacquer paint is prohibited. Masking off all doors, venting and plumbing is required of the Contractor.

8. Litter, lunch refuse and all waste shall be removed by the Contractor from the Unit and from the Property daily.

9. Trash chutes are not to be used for any Contractor material, trash or refuse.

10. Contractors and workers are to use freight elevator only (or other elevator specifically designated by the Manager).

11. The Contractor and its workers shall in no event bring materials and tools through the lobby level, unless the items can be hand-carried (i.e. tool box, tool belt, pest control sprays, etc.).

12. The Manager may inspect the Unit before and after the work is complete to determine if any damage has occurred to the Property. The Manager may inspect the Unit during prosecution of the work to confirm compliance with the terms of this agreement. It is the Owner's responsibility and obligation to notify the Manager when the project is complete.

13. If utilities are to be interrupted, the Owner or Contractor must provide forty-eight (48) hours advance notice to the Manager. The interruption of utilities is subject to the approval of the Manager or the Architectural Reviewer.

14. No loud playing of radios or loud or vulgar talk shall occur at any time inside or outside of the Property.

15. Parking may not be available within the Regime. Contractor and Contractor's workers will be required to park off-site.

16. Smoking within the Regime is prohibited.

17. Lobby level bathrooms are not available for use.

18. Air conditioning vents and equipment shall be thoroughly cleaned after completion of work.

19. Contractors and workmen shall dress in appropriate clothing. No tank tops or sleeveless undershirts are permitted. Owner and the Contractor acknowledge and agree that the Manager, Board of Directors, the Declarant, and the Architectural Reviewer do not ensure the quality, design or

workmanship of any work performed by the Contractor. All work and materials must comply with the approved plans and specifications and with the Documents. Any damage to the Property or adjacent Units caused or occasioned by work performed by the Contractor shall be the responsibility of the Owner.

20. The Manager, the Architectural Reviewer, or the Board of Directors may, in the event of repeated violations of any portion of this agreement, suspend (on a temporary basis) or prohibit (on a permanent basis) a Contractor or any of its workers from entering and/or returning to the Property. A violation of this agreement may result in fines against the Owner which may be levied in accordance with the Documents.

SIGNATURES APPEAR ON FOLLOWING PAGE

OWNER:

_____

Printed Name:_____

Date:_____

CONTRACTOR:

_____

Printed Name:_____

ADDRESS:

_____

_____

Business Phone:_____

Cell Phone:_____

E-Mail:_____

Date:_____

Exhibit "A"

POLICY AND PROCEDURES REGARDING UNIT ALTERATIONS AND MODIFICATIONS

As set forth in the Declaration, the Architectural Reveiwer's prior written approval is required prior to any construction, alteration, addition, improvement, installation, modification, redecoration, or reconstruction of a Unit. Any proposed construction, alteration, addition, improvement, installation, modification, redecoration, or reconstruction of a Unit must comply with the following policies and procedures.

1. **Prior Approval Required**.

(a) Prohibited Changes to the Common Elements. Except as set forth in the Declaration, without the prior written approval of the Architectural Reviewer, an Owner (other than Declarant) may not change, remodel, decorate, destroy or improve the Common Elements, or do anything to change the appearance of the Common Elements, including the parking spaces, hallways, hallway entry doors or windows or Balcony Areas.

(b) Prohibited Changes to a Unit. Except as set forth in the Declaration, without prior written approval of the Architectural Reviewer, an Owner (other than Declarant) may not make structural alterations or modifications to a Unit.

(c) Flooring. Before Owners have the right to install any uncushioned flooring in their Unit, such Owners must confirm with the Architectural Reviewer what product must be placed under such flooring and material specifications must be submitted to the Architectural Reviewer for approval prior to the floor materials being installed within a Unit. Owners must bear the total and complete responsibility for any and all problems, damages, and claims arising out of, or pertaining directly or indirectly to, any undesirable or excessive noise which occurs as a result of the hard surface flooring installed in an Owner's Unit.

(d) Windows and Doors. The interior hall and exterior doors (and the hardware of such doors) and windows of a Unit must conform to the building standard unless otherwise approved in advance by the Architectural Reviewer. No enclosures, awnings, shades or shutters shall be erected over or outside any windows or Balcony Area appurtenant to any Unit, and no exterior doors or windows shall be removed, replaced or changed in any way, without the prior written consent of the Architectural Reviewer. All door and window treatments visible from the exterior of the Unit shall be neutral in color and shall not be foil. Nothing shall be placed on the outside of window sills or projections or upon any patio railings of the Unit, without the prior written consent of the Architectural Reviewer. No screen or storm doors or windows shall be installed within any existing door or window openings appurtenant to the Unit. An Owner may not alter the color or appearance of the glass surfaces in such Owner's windows from the building standard.

(e) Balcony Areas. Because certain materials trap moisture which deteriorates the balcony structure, Balcony Areas may not be covered or resurfaced without the Architectural Reviewer's prior written permission. The use of carpeting is prohibited on Balcony Areas. A Balcony Area may not be enclosed.

2. **Application for Architectural Reviewer's Approval**. As part of the application to the Architectural Reviewer for written consent for any alteration or modification, an Owner (other than Declarant) must submit to the Architectural Reviewer complete plans and specifications showing the

nature, kind, shape, size, materials, colors, connection to Regime systems and location for all proposed work and any other information reasonably requested by the Architectural Reviewer.

3. **Construction Hours**. Without the Architectural Reviewer's prior permission, no construction may be performed in any Unit by any Person except between the hours of 8:00 a.m. and 5:00 p.m. on business days.

4. **Understanding and Agreement Concerning Contract Work**. As a condition to the Architectural Reviewer's written approval of any construction work for the alteration or modification of a Unit, the Owner and the Contractor must execute and deliver to the Architectural Reviewer an agreement substantially in the form of the document attached as Attachment A.

5. **Architectural Approval Not Required**. Notwithstanding any provision herein to the contrary, Architectural Reviewer approval is not required for the following:

(a) interior painting;

(b) installation of interior Unit wall treatments, e.g., wallpaper;

(c) installation of ceiling fans and lighting fixtures within a Unit provided that no structural modifications to the Unit are required and further provided that the necessary electrical infrastructure is already in place;

(d) installation of an audio video system within a Unit provided that no structural modifications to the Unit are required; and

(e) installation of modular shelving or storage provided that no structural modifications to the Unit are required.

6. **Capitalized Terms**. Any capitalized terms not expressly defined herein shall have the same meaning as defined in the Declaration.

Exhibit "B"

INSURANCE REQUIREMENTS FOR OWNER'S CONTRACTORS AND ARCHITECTS

Each Owner shall cause its contractors and architects to purchase and maintain insurance policies ("Policies") in compliance with the following requirements:

COVERAGE AND LIMITS

TYPE	MINIMUM AMOUNT
Workers' Compensation and Employer's Liability	Statutory Limits, and as required by applicable law.
Commercial General Liability (Occurrence Basis)	$ 1,000,000 per occurrence; $ 2,000,000 general aggregate.
Business Automobile Liability (Occurrence Basis)	Combined single limit for bodily injury and property damage of $1,000,000 per occurrence or its equivalent.

ATTACHMENT B

UNDERSTANDING AND AGREEMENT CONCERNING MOVING AND DELIVERY PROCEDURES

I, the Moving Company Supervisor, Delivery Service Personnel, or Contractor (each individually a ("Professional") or collectively, ("Professionals"), do hereby state that I have full knowledge of and will comply with the following rules pertaining to moving and deliveries in Lakefront South Condominiums ("Condominium"). I will also furnish these rules to all workers for signature.

1. Prior to commencement of a move or delivery, Owner or Tenant shall have complied with the following:

(a) Scheduled the move/delivery with the Manager, at least ten (10) business days in advance of move/delivery to ensure access to the elevators. Elevators will not be available for moves/deliveries that are unscheduled.

(b) Provided Manager a partially-refundable deposit of Seven Hundred Fifty Dollars ($750.00) (Five Hundred Dollars ($500.00) of which shall be refundable) one (1) business day prior to the day of the move/delivery. This deposit is applicable to all damage, repair, cleaning, losses or other liabilities incurred as a result of the move/delivery. Additionally, the undersigned Owner or Tenant accepts total responsibility for the cost of any damage, repair, cleaning, losses or other liabilities that may exceed the $750.00 deposit. If no damage has occurred, the refundable portion of the deposit will be returned within ten (10) days following the move/delivery. If the Association determines that there is damage to the Property, the deposit will be returned only after a settlement has been made for any such damages caused during the move/delivery.

Deposit: $_____
Date Paid: _____
Check # _____
Received by: _____

AN ADDITIONAL CHARGE OF TWO HUNDRED FIFTY DOLLARS ($250.00) WILL BE LEVIED BY THE ASSOCIATION IF A PROFESSIONAL OR OWNER OR TENANT ATTEMPTS TO BEGIN A MOVE OR DELIVERY WITHOUT A PRIOR RESERVATION OF THE ELEVATOR.

(c) Ensure that the Professional has provided the Manager with a current Certificate of Liability and Worker's Compensation Insurance in the form attached hereto as Exhibit 1 (the "Insurance Certificates"). The Insurance Certificates must name Lakefront South Condominium Community, Inc., and each of its partners, officers, directors, members, owners, employees and lenders as additional insureds. The additional insureds information will need to be located in the Certificate Holder box at the bottom of the insurance form. The Insurance Certificate can either be mailed or emailed to the attention of Lakefront South Condominium Community, Inc., Lakefront Southnue, Austin, Texas 78701, Attention: Manager.

(d) Provide a fully executed copy of this agreement to the Manager.

(e) Provide the Professional with all applicable Rules.

2. Owners shall confirm the dimensions of the loading dock with Manager. If items are being transported in a truck larger than the loading dock, the Professional must make arrangements to load items onto a smaller truck before arrival to Property.

3. When a Professional arrives at the building, it should contact the dock agent at the loading dock to alert them of its arrival. Parties will be asked to leave individual driver's licenses with the dock agent while using the elevator. Parties will be issued a visitor's pass which must be worn at all times when on the Property. Upon completion of the Services, driver's licenses will be returned.

4. Contingent on availability of the elevator, moves may be conducted between 8:00 a.m. and 5:00 p.m., Monday through Saturday, holidays excepted. Deliveries may be conducted between 8:00 a.m. and 5:00 p.m., Monday through Saturday, contingent on availability of the elevator.

5. Owner or Tenant will be responsible for ensuring that all Professionals and workers keep hallways, elevators and other portions of the Property clean and undamaged. If building personnel or others they hire for such purpose are required to clean the Property as a result of the move/delivery described in this agreement, Owner or Tenant will be charged at a minimum of Thirty Dollars ($30.00) per hour per person. THE PROFESSIONALS MUST PROVIDE PROTECTIVE COVERING FOR THE ELEVATOR CAB WALLS DURING THE MOVING/DELIVERY PROCESS, IF SUCH COVERING IS NOT PROVIDED BY THE ASSOCIATION. IT IS THE RESPONSIBILITY OF THE PROFESSIONAL, THE OWNER OR TENANT TO ENSURE THAT THESE PROTECTIVE COVERINGS ARE IN PLACE PRIOR TO BEGINNING THE MOVE/DELIVERY. NO MOVES/DELIVERIES WILL BE PERMITTED IF THE PROTECTIVE COVERINGS ARE NOT FULLY IN PLACE. CEILINGS MAY NOT BE REMOVED FROM THE SERVICE ELEVATOR.

6. In order to allow the elevator to be held at one floor, the dock agent will provide the Professional with an elevator key. The elevator key will allow a Professional to hold the elevator at point of entry and on the Unit's floor. If the elevator key is lost, the Professional must pay all expenses involved with re-keying, including replacement of cylinders in each elevator if necessary.

7. A representative of the Association, as applicable, will accompany the Professionals on the initial walk-through from the point of entry to the building, to the elevator, and to the Unit. During this initial walkthrough, if there is any existing damage, it will be noted on a checklist and signed by the appropriate Professional's representative and Association's representative. When the move/delivery is completed, the walkthrough inspection will be repeated and any new damage will be noted at that time and acknowledged by the signature of the Professional representative and Association's representative. Refusal of any Professional to sign walkthrough inspections will not relieve such Professional of responsibility for any damage incurred.

8. **THE FINISH ON THE HALLWAY WALLS IS EASILY DAMAGED AND EXPENSIVE TO REPAIR**. Professionals must measure all large items to be sure they fit through the standard door openings, in elevator and around tight corners in the hallways. Owners shall confirm the dimensions of the elevator with Manager.

UNDER NO CIRCUMSTANCES MAY FURNITURE OR OTHER BELONGINGS BE DRAGGED ACROSS THE HALLWAYS OR OTHER ENTRY AREA FLOORS. PROFESSIONALS MUST HAND CARRY ITEMS OR USE DOLLIES OR HAND TRUCKS AT ALL TIMES. MANAGEMENT WILL NOT BE RESPONSIBLE FOR PROVIDING ANY MOVING EQUIPMENT WHATSOEVER.

9. NO FURNITURE, BOXES, PACKING MATERIALS, ETC. ARE TO BE LEFT IN THE LOBBIES, HALLWAYS, ELEVATORS OR LOADING DOCK. PARTIES MUST REMOVE ALL MATERIALS FROM THE PROPERTY PROMPTLY AFTER PERFORMING SERVICES.

10. There is no space anywhere on the Property (except as provided in this agreement) available for use by any Professional or workers.

11. **Litter, lunch refuse, and all waste shall be removed by the Professional from the Unit and from the Regime. At the end of the move, the hallways and elevator must be cleared of all debris. All moving cartons must be flattened. Owners or Tenants can call the Manager for a pickup appointment. No packing materials or furniture may be disposed on the loading dock or in the dumpster. It is the responsibility of Professional, Owner or Tenant to ensure all materials are removed from the site at the end of the move/delivery by the Professional. Any Owner or Tenant who disregards this regulation by leaving packing materials and boxes in the hallways or on the loading dock will be subject to a MINIMUM charge of One Hundred Dollars ($100.00) to cover the cost of removing this nuisance and fire hazard.**

12. Professionals and workers are to use the elevator specifically designated by the Manager.

13. No loud playing of radios or loud or vulgar talk shall occur at any time inside or outside of the Property.

14. Parking at the front of Property is prohibited at all times. Moving/delivery trucks may only be parked in the loading dock. IT IS ESSENTIAL THAT THE ARRIVAL AND DEPARTURE TIME OF MOVING/DELIVERY TRUCKS ARE CONFIRMED WITH THE MANAGEMENT OFFICE. If there are any questions or concerns about the size of the vehicle intended to be used, please discuss this matter with the Management Office prior to the Owner's move.

15. Professionals and workers shall observe the no smoking rule at all times.

16. Professionals and workers are not to ask any neighboring Owner or Tenant for favors (for example, telephone, bathroom facilities, etc.). Lobby level bathrooms are not available for Professional's use.

17. Professionals and workers shall dress in appropriate clothing for entering and leaving the Property; for example, no tank tops or sleeveless undershirts when in the lobby area.

18. Owners who wish to move in without using a professional moving company may do so, provided they meet all the requirements of the moving companies (i.e., scheduling the elevator ten (10) days in advance of the move and accompanying Management's representative on a walk-through before and after the move).

19. Those capitalized terms not expressly defined herein have the same meaning as defined in the Rules for Lakefront South Condominiums and all amendments thereto.

20. **THE UNDERSIGNED HEREBY INDEMNIFY AND AGREE TO DEFEND AND HOLD HARMLESS THE BOARD OF DIRECTORS, THE ASSOCIATION, ALL OWNERS, THE MANAGER, THE DECLARANT AND EACH OF THEIR RESPECTIVE ASSIGNS, SUCCESSORS AND DESIGNEES FROM AND AGAINST ANY AND ALL CLAIMS, ACTIONS, SUITS, JUDGMENTS, DAMAGES, COSTS AND EXPENSES (INCLUDING ATTORNEY FEES AND COURT**

COSTS) ARISING FROM BODILY INJURY (INCLUDING, WITHOUT LIMITATION, MENTAL ANGUISH, EMOTIONAL DISTRESS AND DEATH) AND/OR LOSS OR DAMAGE TO PROPERTY SUFFERED OR INCURRED BY ANY SUCH PERSON, OCCURRING DURING A MOVE/DELIVERY WHETHER CAUSED OR ALLEGEDLY CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OR INTENTIONAL MISCONDUCT OF SUCH INDEMNIFIED PARTIES.

UNIT #:_____ DATE:_____

AUTHORIZED SIGNATURES:

_____	_____
PROFESSIONAL	DATE
_____	_____
[TENANT] [OWNER]	DATE
_____	_____
[MANAGER]	DATE
_____	_____
	DATE
_____	_____
_____	_____
_____	_____
WORKMEN	
_____	_____

Exhibit 1

Form of Certificate of Liability and Worker's Compensation Insurance

INSURANCE REQUIREMENTS

Professionals shall not commence any move or delivery until it has obtained insurance in compliance to the following requirements:

COVERAGE AND LIMITS

Professional, at its own expense, will purchase and maintain (with companies licensed to do business in the State of Texas and having rates of *Best's Insurance Guide A/VII*, or better) insurance coverages and amounts as set forth below:

TYPE	AMOUNT
Workers' Compensation and Employer's Liability	Statutory Limits.
Commercial General Liability (Occurrence Basis)	$1,000,000 per occurrence; $2,000,000 general aggregate.
Business Automobile Liability (Occurrence Basis)	Combined single limit for bodily injury and property damage of $1,000,000 per occurrence or its equivalent.

ATTACHMENT C

PET AGREEMENT

Animal name:_____

Type:_____Breed:_____

Color:_____ Weight:_____

Age:_____ Sex:_____

License no.:_____

Current Shot Certificate (on file)? Yes _____ No _____

Veterinarian:_____

Address:_____

Phone:_____

Animal name:_____

Type:_____Breed:_____

Color:_____ Weight:_____

Age:_____ Sex:_____

License no.:_____

Current Shot Certificate (on file)? Yes _____ No _____

Veterinarian:_____

Address:_____

Phone:_____

ATTACHMENT 4

ASSESSMENT COLLECTION POLICY

Lakefront South Condominiums is a condominium regime created by and subject to the Declaration of Condominium Regime for Lakefront South Condominiums, recorded or to be recorded in the Official Public Records of Montgomery County, Texas, as it may be amended (the "**Declaration**"). As a condominium regime, Lakefront South Condominiums is also subject to State laws, including Chapter 82 of the Texas Property Code -- the Texas Uniform Condominium Act (the "**Act**"). The operation of Lakefront South Condominiums is vested in Lakefront South Condominium Community, Inc. (the "**Association**"), acting through its Board of Directors (the "**Board**"). The Association is empowered to enforce the covenants of the Declaration, including the obligation of owners to pay Assessments. In addition to rights and remedies of the Association under the Declaration, the Act gives the Association, acting through the Board:

1. Authority to adopt and amend rules regulating the collection of delinquent Assessments and the application of payments. §82.102(a)(13).

2. Authority to impose interest and late charges for late payments of Assessments, and returned check charges. §82.102(a)(12).

3. Authority to adopt and amend rules regulating the termination of utility service to a Unit, the Owner of which is delinquent in the payment of an Assessment that is used, in whole or in part, to pay the cost of that utility. §82.102(a)(14).

4. Authority to suspend the voting privileges of or the use of certain general common elements by an Owner delinquent for more than thirty (30) days in the payment of Assessments. §82.102(a)(17).

5. A private power of sale to foreclose the Assessment lien nonjudicially, subject to a limited right of redemption by the Unit Owner. §82.113.

To establish equitable policies and procedures for the collection of delinquent Assessments, the Declarant adopts this policy for the benefit of the Association, as part of the initial project documentation.

SECTION 1. DELINQUENCIES, LATE CHARGES & INTEREST

1-A. Due Date. An Owner will timely and fully pay Assessments. Regular Assessments, Residential Unit Assessments and Commercial Unit Assessments are due and payable on the first calendar day of each month. Special Assessments, Individual Assessments, Utility Assessments and Deficiency 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 Assessment, Individual Assessment, Utility Assessment or Deficiency Assessment is given. Commercial Unit Services Assessments are due annually, with monthly installments of the total annual Commercial Unit Services Assessments to be paid on the first calendar day of each month or on such other date or frequency as the Owner of the Commercial Unit may designate in its sole and absolute discretion, and are delinquent if not received within ten (10) days of such date.

1-B. Delinquent. Any Assessment that is not fully paid when due is delinquent. When the account of a Unit becomes delinquent, it remains delinquent until paid in full – including collection costs and late fees.

1-C. Late Fees & Interest. If the Association does not receive full payment of a Regular Assessment by 5:00 p.m. on the tenth (10th) calendar day of the month, the Association may levy a late fee of Twenty-Five Dollars ($25.00) per month and interest of eighteen percent (18%) per annum from the first day of delinquency until the delinquency is paid in full. After the initial month of delinquency, a late fee of Twenty-Five Dollars ($25.00) may be charged on the first day of each month the account is delinquent until the account is current.

1-D. Liability for Collection Costs. The defaulting Owner is liable to the Association for the cost of title reports, credit reports, certified mail, long distance calls, court costs, filing fees, and other reasonable costs and attorney's fees incurred by the Association in collecting the delinquency.

DRAFTER'S DICTUM

Users of this document should periodically review statutes and court rulings that may modify or nullify provisions of this document or its enforcement, or may create rights or duties not anticipated by this document.

1-E. Insufficient Funds. The Association may levy a charge of Twenty-Five Dollars ($25.00) for any check returned to the Association marked for "insufficient funds" or the equivalent.

1-F. Waiver. Properly levied collection costs, late fees, and interest may not be waived by the Board, unless a Majority of the Board determines that extraordinary circumstances warrant an adjustment to the account, in which case the adjustment must be described in detail in the minutes of the Board's meeting. Because of the potential for inadvertently effecting a waiver of the policies contained in this policy, the Board will exercise caution in granting adjustments to an Owner's account.

SECTION 2. INSTALLMENTS & ACCELERATION

If a Special Assessment or Deficiency Assessment is payable in installments, and if an Owner defaults in the payment of any installment, the Association may declare the entire Assessment in default and accelerate the due date on all remaining installments of that Assessment. A Special Assessment or Deficiency Assessment payable in installments may be accelerated only after the Association gives the Owner at least fifteen (15) days prior notice of the default and the Association's intent to accelerate the unpaid balance if the default is not timely cured. Following acceleration of the indebtedness, the Association has no duty to reinstate the installment program upon partial payment by the Owner.

SECTION 3. PAYMENTS

3-A. Application of Payments. After the Association notifies the Owner of a delinquency and the Owner's liability for late fees or interest, and collection costs, **any payment received by the Association will be applied in the following order, starting with the oldest charge in each category, until that category is fully paid,** regardless of the amount of payment, notations on checks, and the date the obligations arose:

(1) Collection costs and attorney's fees
(2) Fines
(3) Reimbursable expenses
(4) Late charges and interest
(5) Deliquent Commercial Unit Services Assessments
(6) Deliquent Individual Assessments
(7) Delinquent Deficiency Assessments
(8) Delinquent Special Assessments
(9) Delinquent Utility Assessments
(10) Delinquent Residential Unit Assessments
(11) Delinquent Commercial Unit Assessments
(12) Delinquent Regular Assessments
(13) Current Commercial Unit Services Assessments
(14) Current Individual Assessments
(15) Current Deficiency Assessments
(16) Current Special Assessments
(17) Current Utility Assessments
(18) Current Residential Unit Assessments
(19) Current Commercial Unit Assessments
(20) Current Regular Assessments

3-B. Form of Payment. The Association may require that payment of delinquent Assessments be made only in the form of cash, cashier's check, or certified funds.

3-C. Partial and Conditioned Payment. The Association may refuse to accept partial payment (i.e., less than the full amount due and payable) and payments to which the payer attaches conditions or directions contrary to the Board's policy for applying payments. The Association's endorsement and deposit of a payment does not constitute acceptance. Instead, acceptance by the Association occurs when the Association posts the payment to the Unit's account. If the Association does not accept the payment at that time, it will promptly refund the payment to the payer. A payment that is not refunded to the payer within thirty (30) days after being deposited by the Association may be deemed accepted as to payment, but not as to words of limitation or instruction accompanying the payment. The acceptance by the Association of partial payment of delinquent Assessments does not waive the Association's right to pursue or to continue pursuing its remedies for payment in full of all outstanding obligations.

3-D. Notice of Payment. If the Association receives full payment of the delinquency after recording a notice of lien, the Association will cause a release of notice of lien to be publicly recorded, a copy of which will be sent to the Owner. The Association may require the Owner to prepay the cost of preparing and recording the release.

3-E. Correction of Credit Report. If the Association receives full payment of the delinquency after reporting the defaulting Owner to a credit reporting service, the Association will report receipt of payment to the credit reporting service.

SECTION 4. LIABILITY FOR COLLECTION COSTS

The defaulting Owner is liable to the Association for the cost of title reports, credit reports, certified mail, long distance calls, filing fees, and other reasonable costs and attorney's fees incurred in the collection of the delinquency, which amounts are secured by a lien against the Unit.

SECTION 5. COLLECTION PROCEDURES

5-A. Delegation of Collection Procedures. From time to time, the Association may delegate some or all of the collection procedures, as the Board in its sole discretion deems appropriate, to the Association's managing agent, an attorney, or a debt collector.

5-B. Delinquency Notices. If the Association has not received full payment of an Assessment by the due date, the Association may send one (1) or more written notices of nonpayment to the defaulting Owner, by hand delivery, first class mail, and/or by certified mail, stating the amount delinquent. The Association's delinquency-related correspondence may state that if full payment is not timely received, the Association may pursue any or all of the Association's remedies, at the sole cost and expense of the defaulting Owner.

5-C. Collection by Attorney. After giving the Owner notice of the delinquency, the Association may refer the delinquent account to an attorney for collection. In that event, the defaulting Owner will be liable to the Association for its legal fees and expenses.

5-D. Verification of Owner Information. The Association may obtain a title report to determine the names of the Owners and the identity of other lienholders, including the mortgage company.

5-E. Notification of Mortgage Lender. The Association may notify any Mortgagee of the default obligations.

5-F. Notification of Credit Bureau. The Association may report the defaulting Owner to one or more credit reporting services.

5-G. Notice of Lien. The Association may cause a notice of the Association's Assessment lien against the Unit to be publicly recorded. In that event, a copy of the notice will be sent to the defaulting Owner and to such Owner's Mortgagee.

5-H. Foreclosure of Lien -- Nonjudicially. The Board may instruct an attorney, officer, or agent of the Association to notify the defaulting Owner of the Association's intent to foreclose its Assessment lien, to post the Unit for public auction, and to conduct a public auction of the Unit on the steps of the county courthouse in accordance with State law and the Association's documents. The Board may not foreclose a lien consisting solely of fines or securing money for which the Association has obtained a personal money judgment.

5-I. Foreclosure of Lien -- Judicially. The Association may file suit against the Owner for judicial foreclosure of the Association's Assessment lien. This action may be combined with a claim against the Owner's personal liability, for recovery of a money judgment.

5-J. Suit for Owner's Personal Liability. Whether or not the Association forecloses the Association's Assessment lien, the Board may file suit for a personal judgment against the defaulting Owner, and may execute on the judgment.

5-K. Possession Following Foreclosure. If the Association purchases the Unit at public auction, the Board may immediately institute actions to recover possession.

5-L. Limited Right of Redemption. If the Association buys a Unit at the nonjudicial foreclosure sale of its Assessment lien, the Association's ownership is subject to a ninety (90)-day right of

redemption by the Owner. The Act's statutory right of redemption does not apply to judicial foreclosures or foreclosures of judgment liens.

5-M. Collection Agency. The Board may employ or assign the debt to one or more collection agencies.

5-N. Cancellation of Debt. If the Board deems the debt uncollectible, the Board may elect to cancel the debt on the books of the Association, in which case the Association may report the full amount of the forgiven indebtedness to the Internal Revenue Service as income to the defaulting Owner.

5-O. Suspension of Voting Rights. The Association may suspend the voting rights of an Owner whose account with the Association is delinquent for at least thirty (30) days.

5-P. Suspension of Use of Certain Facilities or Services. The Association may suspend the use of the Common Element amenities by an Owner, or his tenant, whose account with the Association is delinquent for at least thirty (30) days.

5-Q. Utility Shut-Off. The Association may terminate utility service to the Unit for which Assessments used to pay the cost of that utility are delinquent, according to the Association's utility shut-off policy.

SECTION 6. GENERAL PROVISIONS

6-A. Independent Judgment. Notwithstanding the contents of this detailed policy, the officers, directors, manager, and attorney of the Association will exercise their independent, collective, and respective judgment in applying this policy.

6-B. Other Rights. This policy is in addition to and does not detract from the rights of the Association to collect Assessments under the Documents and the laws of the State of Texas.

6-C. 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 Documents or any other document or agreement executed or made in connection with this policy, 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 law, the excess amount will be applied to the reduction of unpaid Special Assessments and Regular Assessments, or reimbursed to the Owner if those Assessments are paid in full.

6-D. Notices. Unless the Documents, Texas law, or this policy provide otherwise, any notice or other written communication given to an Owner pursuant to this policy will be deemed delivered to the Owner upon depositing same with the U.S. Postal Service, addressed to the Owner at the most recent address shown on the Association's records, or on personal delivery to the Owner. If the Association's records show that two (2) or more persons own a Unit, notice to one co-Owner is deemed notice to all co-Owners. Similarly, notice to one Occupant is deemed notice to all Occupants. Written communications to the Association, pursuant to this policy, will be deemed given on actual receipt by the Association's president, secretary, managing agent, or attorney.

6-E. Definitions. Words and phrases used in this policy have the same meanings given to them by the Declaration of Condominium Regime for Lakefront South Condominiums, recorded or to be recorded in the Official Public Records of Montgomery County, Texas (the "**Declaration**").

6-F. Amendment of Policy. This policy will remain effective until ten (10) days after the Association delivers to an Owner of each Unit notice of amendment or revocation of this policy. The notice may be published and distributed in an Association newsletter or other community-wide publication.

ATTACHMENT 5

FINE POLICY

1. Background. This fine policy is based on the requirements of Sec. 82.102(d) and (e) of TUCA. To establish policies and procedures for fining under TUCA, the Declarant adopts this policy for the benefit of the Association, as part of the initial project documentation.

2. Policy. The Association uses fines to discourage violations of the Documents, and to encourage compliance when a violation occurs - not to punish violators or generate revenue for the Association. Although a fine may be an effective and efficient remedy for certain types of violations or violators, it is only one of several methods available to the Association for enforcing the Documents. The Association's use of fines does not interfere with its exercise of other rights and remedies for the same violation, nor may the Association use fines to the exclusion of other remedies.

3. Owner's Liability. An Owner is liable for fines levied by the Association for violations of the Documents by the Owner, the Occupants of the Unit, and the relatives, guests, employees, and agents of the Owner and Occupants. Regardless of who performs the violation, the Association will direct its communications to the Owner, although the Association may send copies of its notices to the Occupant.

4. Violation Notice. Before levying a fine, the Association will give the Owner a written violation notice, and an opportunity to be heard. This requirement may not be waived. The Association's written violation notice will contain the following items: (1) the date the violation notice is prepared or mailed; (2) a description of the violation or property damage; (3) a reference to the rule or provision that is being violated; (4) a description of the action required to cure the violation; (5) the amount of the fine or damage charge; (6) a statement that not later than the thirtieth (30th) day after the date of the violation notice, the Owner may request a hearing before the Board to contest the fine or damage charge; and (7) the date the fine or damage charge attaches or begins accruing (the "**Start Date**"), subject to the following:

   a. New Violation. If the Owner was not given notice and a reasonable opportunity to cure a similar violation within the preceding twelve (12) months, the notice will state a specific date by which the violation must be cured to avoid the fine, if the violation is ongoing or continuous. If the violation is not ongoing, but is instead sporadic or periodic, the notice must state that any future violation of the same rule may result in the levy of a fine.

   b. Repeat Violation. In the case of a repeat violation, the notice will state that, because the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding twelve (12) months, the fine attaches from the date of the violation notice.

5. Violation Hearing. An Owner may request in writing a hearing by the Board to contest the fine. To request a hearing before the Board, an Owner must submit a written request to the Association's manager (or the Board if there is no manager) within thirty (30) days after the date of the violation notice. Within fifteen (15) days after Owner's request for a hearing, the Board will give the Owner at least fifteen (15) days' notice of the date, time, and place of the hearing. The hearing will be scheduled to provide a reasonable opportunity for both the Board and the Owner to attend. Pending the hearing, the Association may continue to exercise its other 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. The hearing will be held in a closed or executive session of the Board. At the hearing, the Board will consider the facts and circumstances surrounding the violation. The Owner may attend the hearing in person, or may be represented by another person or written communication. No audio or video recording of the hearing may be made. The minutes of the hearing must contain a statement of the results of the hearing and the fine, if any, imposed. A copy of the violation notice and request for hearing should be placed in the minutes of the hearing. If the Owner appears at the meeting, the notice requirements will be deemed satisfied.

6. Levy of Fine. Within thirty (30) days after levying the fine, the Board must give the Owner notice of the levied fine. If the fine is levied at the hearing at which the Owner is actually present, the notice requirement will be satisfied if the Board announces its decision to the Owner at the hearing. Otherwise, the notice must be in writing. In addition to the initial levy notice, the Association will give the Owner periodic written notices of an accruing fine or the application of an Owner's payments to reduce the fine. The periodic notices may be in the form of monthly statements or delinquency notices.

7. Amount. The Association may set fine amounts on a case-by-case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation. The Association may establish a schedule of fines for certain types of violations. If circumstances warrant a variance from the schedule, the Board will document the reasons for the variance in the minutes of its meeting. The amount and cumulative total of a fine must be reasonable in comparison to the violation, and should be uniform for similar violations of the same provision of the Documents. If the Association allows fines to accumulate, it will establish a maximum amount for a particular fine, at which point the total fine will be capped.

8. Type of Levy. If the violation is ongoing or continuous, the fine may be levied on a periodic basis (such as daily, monthly, or quarterly). If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.

9. Collection of Fines. The Association is not entitled to collect a fine from an Owner to whom it has not given notice and an opportunity to be heard. The Association may not foreclose its Assessment lien on a debt consisting solely of fines. The Association may not charge interest or late fees for unpaid fines.

10. Definitions. Words and phrases used in this policy have the same meanings given to them by the Declaration of Condominium Regime for Lakefront South Condominiums, recorded or to be recorded in the Official Public Records of Montgomery County, Texas (the "**Declaration**").

11. Amendment of Policy. This policy may be revoked or amended from time to time by the Board. This policy will remain effective until ten (10) days after the Association delivers to an Owner of each Unit notice of amendment or revocation of this policy. The notice may be published and distributed in an Association newsletter or other community-wide publication.

ATTACHMENT 6

RECORDS INSPECTION, COPYING, AND RETENTION POLICY

Capitalized terms used but not defined in this policy will have the meaning ascribed to such terms in the Declaration, as the same may be amended from time to time.

1. *Written Form.* The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

2. *Request in Writing; Pay Estimated Costs In Advance.* An Owner (or an individual identified as an Owner's agent, attorney or certified public accountant, provided the designation is in writing and delivered to the Association) may submit a written request via certified mail to the Association's mailing address or authorized representative listed in the management certificate to access the Association's records. The written request must include sufficient detail describing the books and records requested and whether the Owner desires to inspect or copy the records. Upon receipt of a written request, the Association may estimate the costs associated with responding to each request, which costs may not exceed the costs allowed pursuant to Texas Administrative Code Section 70.3, as may be amended from time to time (a current copy of which is attached hereto) and may not exceed actual costs for an item produced by a third party. Before providing the requested records, the Association will require that the Owner remit such estimated amount to the Association. The Association will provide a final invoice to the Owner on or before the thirtieth (30th) business day after the records are provided by the Association. If the final invoice includes additional amounts due from the requesting party, the additional amounts, if not reimbursed to the Association before the thirtieth (30th) business day after the date the invoice is sent to the Owner, may be added to the Owner's account as an assessment. If the estimated costs exceeded the final invoice amount, the Owner is entitled to a refund, and the refund shall be issued to the Owner not later than the thirtieth (30th) business day after the date the final invoice is sent to the Owner.

3. *Period of Inspection.* Within ten (10) business days from receipt of the written request, the Association must either: (1) provide the copies to the Owner; (2) provide available inspection dates; or (3) provide written notice that the Association cannot produce the documents within the ten (10) business days along with either: (i) another date within an additional fifteen (15) business days on which the records may either be inspected or by which the copies will be sent to the Owner; or (ii) a notice that after a diligent search, the requested records are missing and cannot be located.

4. *Records Retention.* The Association shall keep the following records for at least the time periods stated below:

   a. **PERMANENT**: The Articles of Incorporation or the Certificate of Formation, the Bylaws and the Declaration, any and all other governing documents, guidelines, rules, regulations and policies and all amendments thereto Recorded in the property records to be effective against any Owner and/or Member of the Association.

   b. **FOUR (4) YEARS**: Contracts with a term of more than one (1) year between the Association and a third party. The four (4)-year retention term begins upon expiration of the contract term.

c. **FIVE (5) YEARS**: Account records of each Owner. Account records include debit and credit entries associated with amounts due and payable by the Owner to the Association, and written or electronic records related to the Owner and produced by the Association in the ordinary course of business.

d. **SEVEN (7) YEARS**: Minutes of all meetings of the Board and the Owners.

e. **SEVEN (7) YEARS**: Financial books and records produced in the ordinary course of business, tax returns and audits of the Association.

f. **GENERAL RETENTION INSTRUCTIONS**: "Permanent" means records which are not to be destroyed. Except for contracts with a term of one (1) year or more (See item 4.b. above), a retention period starts on the last day of the year in which the record is created and ends on the last day of the year of the retention period. For example, if a record is created on June 14, 2021, and the retention period is five (5) years, the retention period begins on December 31, 2021 and ends on December 31, 2026. If the retention period for a record has elapsed and the record will be destroyed, the record should be shredded or otherwise safely and completely destroyed. Electronic files should be destroyed to ensure that data cannot be reconstructed from the storage mechanism on which the record resides.

5. *Confidential Records*. As determined in the discretion of the Board, certain Association records may be kept confidential such as personnel files, Owner account or other personal information (except addresses) unless the Owner requesting the records provides a court order or written authorization from the person whose records are sought.

6. *Attorney Files*. **Attorney's files and records relating to the Association (excluding invoices requested by an Owner pursuant to Texas Property Code Section 82.1141(c)), are not records of the Association and are not: (a) subject to inspection by the Owner; or (b) subject to production in a legal proceeding. If a document in an attorney's files and records relating to the Association would be responsive to a legally authorized request to inspect or copy Association documents, the document shall be produced by using the copy from the attorney's files and records if the Association has not maintained a separate copy of the document. The Association is not required under any circumstance to produce a document for inspection or copying that constitutes attorney work product or that is privileged as an attorney-client communication.**

7. *Presence of Board Member or Manager; No Removal*. At the discretion of the Board or the Association's Manager, certain records may only be inspected in the presence of a Board member or employee of the Association's Manager. No original records may be removed from the office without the express written consent of the Board.

TEXAS ADMINISTRATIVE CODE
TITLE 1, PART 3, CHAPTER 70
RULE §70.3 - CHARGES FOR PROVIDING COPIES OF PUBLIC INFORMATION

(a) The charges in this section to recover costs associated with providing copies of public information are based on estimated average costs to governmental bodies across the state. When actual costs are twenty-five percent (25%) higher than those used in these rules, governmental bodies other than agencies of the state, may request an exemption in accordance with §70.4 of this title (relating to Requesting an Exemption).

(b) Copy charge.

(1) Standard paper copy. The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is $00.10 per page or part of a page. Each side that has recorded information is considered a page.

(2) Nonstandard copy. The charges in this subsection are to cover the materials onto which information is copied and do not reflect any additional charges, including labor, that may be associated with a particular request. The charges for nonstandard copies are:

(A) Diskette--$1.00;

(B) Magnetic tape--actual cost;

(C) Data cartridge--actual cost;

(D) Tape cartridge--actual cost;

(E) Rewritable CD (CD-RW)--$1.00;

(F) Non-rewritable CD (CD-R)--$1.00;

(G) Digital video disc (DVD)--$3.00;

(H) JAZ drive--actual cost;

(I) Other electronic media--actual cost;

(J) VHS video cassette--$2.50;

(K) Audio cassette--$1.00;

(L) Oversize paper copy (e.g.: 11 inches by 17 inches, greenbar, bluebar, not including maps and photographs using specialty paper--See also §70.9 of this title)--$00.50;

(M) Specialty paper (e.g.: Mylar, blueprint, blueline, map, photographic--actual cost.

(c) Labor charge for programming. If a particular request requires the services of a programmer in order to execute an existing program or to create a new program so that requested information may be accessed and copied, the governmental body may charge for the programmer's time.

(1) The hourly charge for a programmer is $28.50 an hour. Only programming services shall be charged at this hourly rate.

(2) Governmental bodies that do not have in-house programming capabilities shall comply with requests in accordance with §552.231 of the Texas Government Code.

(3) If the charge for providing a copy of public information includes costs of labor, a governmental body shall comply with the requirements of §552.261(b) of the Texas Government Code.

(d) Labor charge for locating, compiling, manipulating data, and reproducing public information.

(1) The charge for labor costs incurred in processing a request for public information is $15 an hour. The labor charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.

(2) A labor charge shall not be billed in connection with complying with requests that are for fifty (50) or fewer pages of paper records, unless the documents to be copied are located in:

(A) Two (2) or more separate buildings that are not physically connected with each other; or

(B) A remote storage facility.

(3) A labor charge shall not be recovered for any time spent by an attorney, legal assistant, or any other person who reviews the requested information:

(A) To determine whether the governmental body will raise any exceptions to disclosure of the requested information under the Texas Government Code, Subchapter C, Chapter 552; or

(B) To research or prepare a request for a ruling by the attorney general's office pursuant to §552.301 of the Texas Government Code.

(4) When confidential information pursuant to a mandatory exception of the Act is mixed with public information in the same page, a labor charge may be recovered for time spent to redact, blackout, or otherwise obscure confidential information in order to release the public information. A labor charge shall not be made for redacting confidential information for requests of fifty (50) or fewer pages, unless the request also qualifies for a labor charge pursuant to Texas Government Code, §552.261(a)(1) or (2).

(5) If the charge for providing a copy of public information includes costs of labor, a governmental body shall comply with the requirements of Texas Government Code, Chapter 552, §552.261(b).

(6) For purposes of paragraph (2)(A) of this subsection, two (2) buildings connected by a covered or open sidewalk, an elevated or underground passageway, or a similar facility, are not considered to be separate buildings.

(e) Overhead charge.

(1) Whenever any labor charge is applicable to a request, a governmental body may include in the charges direct and indirect costs, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. If a governmental body chooses to recover such costs, a charge shall be made in accordance with the methodology described in paragraph (3) of this subsection. Although an exact calculation of costs will vary, the use of a standard charge will avoid complication in calculating such costs and will provide uniformity for charges made statewide.

(2) An overhead charge shall not be made for requests for copies of 50 or fewer pages of standard paper records unless the request also qualifies for a labor charge pursuant to Texas Government Code, §552.261(a)(1) or (2).

(3) The overhead charge shall be computed at twenty percent (20%) of the charge made to cover any labor costs associated with a particular request. Example: if one hour of labor is used for a particular request, the formula would be as follows: Labor charge for locating, compiling, and reproducing, $15.00 x 00.20 = $3.00; or Programming labor charge, $28.50 x 00.20 = $5.70. If a request requires one hour of labor charge for locating, compiling, and reproducing information ($15.00 per hour); and one hour of programming labor charge ($28.50 per hour), the combined overhead would be: $15.00 + $28.50 = $43.50 x 00.20 = $8.70.

(f) Microfiche and microfilm charge.

(1) If a governmental body already has information that exists on microfiche or microfilm and has copies available for sale or distribution, the charge for a copy must not exceed the cost of its reproduction. If no copies of the requested microfiche or microfilm are available and the information on the microfiche or microfilm can be released in its entirety, the governmental body should make a copy of the microfiche or microfilm. The charge for a copy shall not exceed the cost of its reproduction. The Texas State Library and Archives Commission has the capacity to reproduce microfiche and microfilm for governmental bodies. Governmental bodies that do not have in-house capability to reproduce microfiche or microfilm are encouraged to contact the Texas State Library before having the reproduction made commercially.

(2) If only a master copy of information in microfilm is maintained, the charge is $00.10 per page for standard size paper copies, plus any applicable labor and overhead charge for more than fifty (50) copies.

(g) Remote document retrieval charge.

(1) Due to limited on-site capacity of storage documents, it is frequently necessary to store information that is not in current use in remote storage locations. Every effort should be made by governmental bodies to store current records on-site. State agencies are encouraged to store inactive or non-current records with the Texas State Library and Archives Commission. To the extent that the retrieval of documents results in a charge to comply with a request, it is permissible to recover costs of such services for requests that qualify for labor charges under current law.

(2) If a governmental body has a contract with a commercial records storage company, whereby the private company charges a fee to locate, retrieve, deliver, and return to storage the needed record(s), no additional labor charge shall be factored in for time spent locating documents at the storage location by the private company's personnel. If after delivery to the governmental body, the boxes must still be searched for records that are responsive to the request, a labor charge is allowed according to subsection (d)(1) of this section.

(h) Computer resource charge.

(1) The computer resource charge is a utilization charge for computers based on the amortized cost of acquisition, lease, operation, and maintenance of computer resources, which might include, but is not limited to, some or all of the following: central processing units (CPUs), servers, disk drives, local area

networks (LANs), printers, tape drives, other peripheral devices, communications devices, software, and system utilities.

(2) These computer resource charges are not intended to substitute for cost recovery methodologies or charges made for purposes other than responding to public information requests.

(3) The charges in this subsection are averages based on a survey of governmental bodies with a broad range of computer capabilities. Each governmental body using this cost recovery charge shall determine which category(ies) of computer system(s) used to fulfill the public information request most closely fits its existing system(s), and set its charge accordingly. Type of System--Rate: mainframe--$10 per CPU minute; Midsize--$1.50 per CPU minute; Client/Server--$2.20 per clock hour; PC or LAN--$1.00 per clock hour.

(4) The charge made to recover the computer utilization cost is the actual time the computer takes to execute a particular program times the applicable rate. The CPU charge is not meant to apply to programming or printing time; rather it is solely to recover costs associated with the actual time required by the computer to execute a program. This time, called CPU time, can be read directly from the CPU clock, and most frequently will be a matter of seconds. If programming is required to comply with a particular request, the appropriate charge that may be recovered for programming time is set forth in subsection (d) of this section. No charge should be made for computer print-out time. Example: If a mainframe computer is used, and the processing time is 20 seconds, the charges would be as follows: $10 / 3 = $3.33; or $10 / 60 x 20 = $3.33.

(5) A governmental body that does not have in-house computer capabilities shall comply with requests in accordance with the §552.231 of the Texas Government Code.

(i) Miscellaneous supplies. The actual cost of miscellaneous supplies, such as labels, boxes, and other supplies used to produce the requested information, may be added to the total charge for public information.

(j) Postal and shipping charges. Governmental bodies may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the requesting party.

(k) Sales tax. Pursuant to Office of the Comptroller of Public Accounts' rules sales tax shall not be added on charges for public information (34 TAC, Part 1, Chapter 3, Subchapter O, §3.341 and §3.342).

(l) Miscellaneous charges: A governmental body that accepts payment by credit card for copies of public information and that is charged a "transaction fee" by the credit card company may recover that fee.

(m) These charges are subject to periodic reevaluation and update.

Source Note: The provisions of this §70.3 adopted to be effective September 18, 1996, 21 TexReg 8587; amended to be effective February 20, 1997, 22 TexReg 1625; amended to be effective December 3, 1997, 22 TexReg 11651; amended to be effective December 21, 1999, 24 TexReg 11255; amended to be effective January 16, 2003, 28 TexReg 439; amended to be effective February 11, 2004, 29 TexReg 1189; transferred effective September 1, 2005, as published in the Texas Register September 29, 2006, 31 TexReg 8251; amended to be effective February 22, 2007, 32 TexReg 614.

ATTACHMENT 7

RELIGIOUS DISPLAY POLICY

1. **Display of Religious Items.** Section 202.018 of the Texas Property Code provides certain rights for an owner or resident to display or affix one (1) or more religious items on the owner's or resident's property. The display of which is motivated by the owner's or resident's sincere religious belief.

2. **Content Prohibitions**. No religious item may be displayed that: (a) threatens the public health or safety; (b) violates a law other than a law prohibiting the display of religious speech; or (c) contains language, graphics, or any display that is patently offensive to a passerby for reasons other than its religious content.

3. **Location Restrictions**. No religious item may be displayed that: (a) is installed on property owned or maintained by the Association; (b) is installed on property owned in common by members of the Association; (c) violates any applicable building line, right-of-way, setback, or easement; or (d) is attached to a traffic control device, street lamp, fire hydrant, or utility sign, pole, or fixture.

4. **Removal.** The Association may cause to be removed any item which is in violation of the terms and provisions of this policy.

5. **Conflicts**. To the extent that any provision of the Association's recorded covenants restrict or prohibit an Owner or Resident from displaying or affixing a religious item in violation of the controlling provisions of Section 202.018 of the Texas Property Code, the Association shall have no authority to enforce such provisions, and the provisions of this policy shall control.

6. **Amendment**. This policy may be amended by the Declarant during the Development Period or thereafter, a Majority of the Board.

ATTACHMENT 8

VEHICLE CHARGING POLICY

1. **Background**. The Declarant adopts this policy for the benefit of the Association, as part of the initial project documentation.

2. **Generally**. Certain parking spaces within the Property may be equipped with electric service (the "**Electric Service**") intended for use to charge an electric vehicle. The Declarant, during the Development Period, reserves the right, to designate and assign certain parking spaces with Electric Service. The Declarant during the Development Period, and the Association thereafter, may, from time to time, adopt additional rules and regulations related to the use and installation of the Electric Service and each electric vehicle charging station.

3. **Costs and Rules**. Owners that have been assigned a parking space with Electric Service ("**Serviced Owners**") shall be responsible for all costs and expenses associated with the: (i) maintenance, repair, and re-programming of the equipment and electric lines providing the Electric Service and replacement reserves for the equipment used to provide the Electric Service; (ii) the costs of all repair, re-programming, insurance and reserves of the Electric Service; and (iii) all electricity consumption used to provide the Electric Service. The costs and expenses related to the Electric Service will be levied against the Serviced Owners as an Individual Assessment. Additionally, the Association will maintain all electric vehicle chargers as part of the Common Elements within the Regime and the anticipated costs to maintain, repair, and replace the electric vehicle chargers will be levied as an Individual Assessment attributable to the Unit. Serviced Owners shall be responsible for all the costs of all electricity consumption utilized by the electric vehicle chargers, which may be levied by the Association as an Individual Assessment attributable to the Servied Owners' Unit. The Declarant during the Development Period, and the Association thereafter, may adopt additional rules and regulations for use and operation of the building's electric vehicle charging system and the electric vehicle chargers, including certain times that vehicles may be charged. The rules and regulations will take into the consideration the availability of power provided from any applicable governmental entity. The Declarant, and after the expiration of the Development Period, the Board, may grant a variance or waiver of a restriction or rule. To be effective, a variance must be in writing and executed by Declarant and/or a Majority of the Board, as applicable.

4. **Use and Maintenance**. The equipment and electric lines providing the Electric Service shall be maintained by the Association. The Association shall not be liable to any Serviced Owner for loss or damage associated with operation, maintenance, cessation of service, or repair of the Electric Service equipment used to provide the Electric Service, or the damage to any vehicle utilizing the equipment. If the maintenance or repair of electric service equipment is caused by the misuse of such equipment by a Serviced Owner or their permitted user, the costs associated with the repair and/or replacement will be levied as an Individual Assessment against such Serviced Owner. Each Serviced Owner and their permitted user shall abide by the following rules when using the Electric Service equipment:

    - Follow vehicle manufacturer's guidelines when charging your vehicle. Check with your local dealer if you need additional information.

    - Place all charging device components out of reach of children when not in use.

- Place all charging device components back into the charging station when use is completed.
- Never use a multiplug adapter or extension cord.
- Neatly coil and store the charging line when not in use. Do not leave the line on the parking space surface.
- Abide by all warning messages on the charging station. Do not use the charging station if warning lights are present on the station or in your vehicle.
- Comply with all charging station rules and regulations adopted by the Board.
- Do not alter, modify, or add accessories to, the charging station or equipment.
- Only use charging station during allotted time periods.
- Report any damage to the charging station or equipment to the Board.

5. **Indemnification**. Each Serviced Owner shall fully protect, indemnify, defend and hold the Association, and its successors and assigns, and its members, directors, officers, agents, managers, affiliates, and employees (each, an "**Association Indemnitee**") harmless from and against any and all losses, costs, expenses, damages, injuries, liabilities, claims, liens, demands, penalties, causes of action, or judgments (including, without limitation, reasonable attorney's fees and costs of legal proceedings) of every nature whatsoever arising from or incidental to any injury to person or damage to property arising out of the Serviced Owners' use of the Electric Service. Neither the Declarant nor the Association makes any representations or warranties of any kind or character express or implied, regarding the Electric Service or electrical components serving the Electric Service and the Serviced Owners shall accept the Electric Service and electrical components serving the Electric Service **AS IS, WHERE IS, AND WITH ALL FAULTS**.

6. **Amendment**. This policy may be amended by the Declarant during the Development Period or by a Majority of the Board, provided, however, that during the Development Period, any amendment to the Community Manual must be approved in advance and in writing by the Declarant.

7. **Definitions**. Words and phrases used in this policy have the same meanings given to them by the Declaration of Condominium Regime for Lakefront South Condominiums, recorded or to be recorded in the Official Public Records of Montgomery County, Texas, as it may be amended (the "**Declaration**").

ATTACHMENT 9

LAKEFRONT SOUTH CONDOMINIUMS
COMMUNITY MANUAL
CERTIFICATION AND ACKNOWLEDGEMENT

As the Declarant of Lakefront South Condominiums and the initial and sole member of Lakefront South Condominium Community, Inc. (the "**Association**"), Lakefront South Condos LLC certifies that the foregoing Lakefront South Condominiums Community Manual was adopted for the benefit of the Association as part of the initial project documentation for Lakefront South Condominiums, located in Austin, Texas. This Community Manual becomes effective when recorded.

SIGNED on this 16 day of July, 2026.

DECLARANT:

LAKEFRONT SOUTH CONDOS LLC,
a Delaware limited liability company

By: _____
Printed Name: Doug Johnstone
Title: Vice President

THE STATE OF ~~TEXAS~~ Hawaii §
§
COUNTY OF City and Honolulu §

This instrument was acknowledged before me this 16 day of July, 2026, by Doug Johnstone, VICE PRESIDENT of **LAKEFRONT SOUTH CONDOS LLC**, a Delaware limited liability company, on behalf of such company.

(SEAL)

TRACEY K. MORISUGI NOTARY PUBLIC 14-314 STATE OF HAWAII

_____
Notary Public Signature

Document Date: 7/16/26 #Pages: 70
Notary Name: TRACEY K. MORISUGI First Circuit
Doc Description: Lakefront South condominiums Community Manual
_____ 7.16.26
Notary Signature Date
NOTARY CERTIFICATION

TRACEY K. MORISUGI NOTARY PUBLIC 14-314 STATE OF HAWAII

Doc #: 2026076629
Pages 75

E-FILED FOR RECORD
07/17/2026 04:57PM



L. Brandon Steinmann
County Clerk,
Montgomery County, Texas

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

07/17/2026



L. Brandon Steinmann
County Clerk,
Montgomery County, Texas

LAKEFRONT SOUTH CONDOMINIUMS
CONDOMINIUM INFORMATION STATEMENT

EXHIBIT "F"

ESITIMATED AND PROPOSED BUDGET

Expenses

Administration Includes alert devices, office equipment, office supplies, postage, etc.	$150,447.00
Payroll Includes management, concierge, dock, housekeeping and maintenance.	$2,002,571.78
Utilities for Common Elements Includes chilled water, domestic water/sewer, electric service, etc.	$227,237.20
Repairs and Maintenance of Common Elements Includes building exterior, electrical, exterior lighting, irrigation, etc.	$115,775.00
General Building Maintenance Includes building management system, cards/keys, housekeeping supplies, maintenance supplies, etc.	$50,511.00
Professional Services Includes management services, legal services, and audit/tax services	$426,886.35
Contracts Includes alarm monitoring, camera/surveillance, contract labor, gate service contractor, landscaping, pest control, etc.	$647,882.00
Insurance Includes crime/fidelity, directors and officers, general liability.	$67,500.00
Residential LCE Expenses Includes building interior maintenance of Residential LCE, elevator maintenance/service, pool service, pool supplies, property insurance, boat deck/bulkhead, guest suite expenses, etc.	$518,675.50
Commercial LCE Expenses Includes property insurance.	$8,352.00
Commercial Unit Services Expenses Includes landscaping of entry monumentation.	$25,000.00

Reserves

Reserves Funding for future improvements/repairs	$382,465.13

EXHIBIT "G"

CONDOMINIUM MANAGEMENT AGREEMENT

Condominium Management Agreement

THE RITZ-CARLTON RESIDENCES, THE WOODLANDS
THE WOODLANDS, TEXAS

Condominium Association: **[INSERT CONDOMINIUM ASSOCIATION ENTITY]**

Manager: **THE RITZ-CARLTON HOTEL COMPANY, L.L.C.**

[_____, 20__]