

FILED
In the Office of the
Secretary of State of Texas

MAR 14 1991

ARTICLES OF INCORPORATION
OF
BAYNEBRIDGE CONDOMINIUM HOMEOWNER'S ASSOCIATION, INC.
Corporations Section

Corporate Name

1. The name of the corporation is Baynebridge Condominium Homeowner's Association, Inc., hereafter referred to as the "Homeowner's Association."

Legal Status

2. The Homeowner's Association is a nonprofit corporation organized pursuant to the Texas Non-Profit Corporation Act.

Duration

3. The period of the duration of the Homeowner's Association is perpetual.

Purposes

4. The purposes for which the Homeowner's Association is formed are:

(a) Specifically and primarily to provide an organization consisting of the co-owners of the Baynebridge Condominium Project in order to provide for the management, maintenance, preservation, and architectural control of the Condominium Project located in Hays County, State of Texas, and more particularly described in the Declaration recorded in the Office of the County Clerk of Hays County, State of Texas, in the Condominium Records, Volume 1, Page 795, as amended by that certain Amendment to the Declaration of Baynebridge Condominiums recorded under Clerk's File No. 304196.

(b) Generally:

(i) To promote the health, safety, and welfare of the co-owners of the Condominium Project;

(ii) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Homeowner's

Association as set forth in the Declaration and Bylaws;

(iii) To fix, levy, collect, and enforce payment of any charges or assessments as set forth in the Declaration; to pay all expenses in connection therewith and all office and other expenses incidental to the conduct of the business of the Homeowner's Association, including all licenses, taxes, or governmental charges levied or imposed against the property of the Homeowner's Association;

(iv) To acquire (by gift, purchase, or otherwise), own, hold, improve, build on, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the Homeowner's Association;

(c) Notwithstanding any of the above statements of purposes, the Homeowner's Association shall not except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of the Homeowner's Association.

Initial Registered Office and Agent

5. The street address of the initial registered office of the Homeowner's Association is 199 Main Plaza, New Braunfels, Texas 78130, and the name of its initial registered agent at such address is Tom Guilford.

Board of Directors

6. The affairs of the Homeowner's Association shall be managed by a Board of Directors. The number of the Directors constituting the initial Board is three. The number of Directors may be changed by amendment of the Bylaws of the Homeowner's Association.

The names and addresses of the persons who are to serve as the initial Directors are:

Name	Address
Michael Ussery <i>mu</i>	199 Main Plaza New Braunfels, Texas 78130
Tom Guilford	199 Main Plaza New Braunfels, Texas 78130
Tim Williamson	1005 North L.B.J. Drive San Marcos, Texas 78666

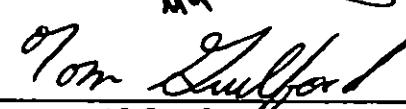
Incorporators

7. The names and street addresses of the incorporators of this Homeowner's Association are:

Name	Address
Michael Ussery <i>mu</i>	199 Main Plaza New Braunfels, Texas 78130
Tom Guilford	199 Main Plaza New Braunfels, Texas 78130
Tim Williamson	1005 North L.B.J. Drive San Marcos, Texas 78666

IN WITNESS WHEREOF, we have hereunto set our hands, this 6th day of March, 1991.


 Michael Ussery, Incorporator *mu*

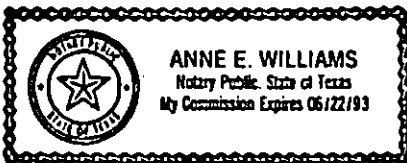

 Tom Guilford, Incorporator


 Tim Williamson, Incorporator

STATE OF TEXAS
COUNTY OF COMAL

Before me, a notary public, on this day personally appeared Michael ^WUssery and Tom Guilford, known to me to be the persons whose names are subscribed to the foregoing document and, being by me first duly sworn, severally declared that the statements herein contained are true and correct.

Given under my hand and seal of office this 6th day of March, 1991.

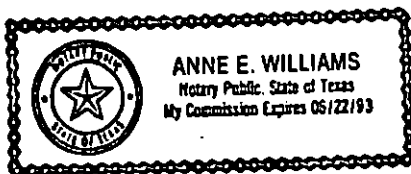


Anne E. Williams
Notary Public, State of Texas

STATE OF TEXAS
COUNTY OF HAYS

Before me, a notary public, on this day personally appeared Tim Williamson, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements herein contained are true and correct.

Given under my hand and seal of office this 6th day of March, 1991.



Anne E. Williams
Notary Public, State of Texas

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BAYNEBRIDGE CONDOMINIUMS

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CONDOMINIUM DECLARATION

FOR

BAYNEBRIDGE CONDOMINIUMS

THE STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

THE COUNTY OF HAYS §

THAT, GENEVA A. MEIS, JIM LEE, GARY UNRUH and VINSON WOOD, whose address is 1500 Jamie Lane, San Marcos, Texas 78666, hereinafter called "Declarant", are the owners of certain real property situated in the County of Hays, State of Texas, being described more fully on Exhibit "A", which by this reference is made a part hereof; and

WHEREAS, Declarant desires to establish a Condominium Regime under the Condominium Act of the State of Texas, Article 1301a, Revised Civil Statutes of Texas, herein called the "Act"; and

WHEREAS, Declarant has prepared plans for the construction of two (2) multifamily Buildings and other improvements appurtenant thereto on the Property described in said Exhibit "A", which when completed shall consist of twelve (12) separately designated Condominium Units and which will be known as BAYNEBRIDGE CONDOMINIUMS: and

WHEREAS, Declarant does hereby establish a plan for the individual ownership in fee simple of estates consisting of the area or space contained in each of the units, herein called the "Condominium Regime", in the two (2) Buildings and the co-ownership by the individual and separate Unit Owners thereof, as tenants in common, of all the remaining property, which includes both Limited Common Elements and General Common Elements, as hereinafter defined in Paragraph 1.1 hereof, and which are hereinafter collectively referred to as the "Common Elements" or "Common Areas."

NOW, THEREFORE, Declarant does hereby submit the real property described on the attached Exhibit "A", and all improvements thereon, to the provisions of the Act and the Condominium Regime, and does hereby publish and declare

ARTICLE I

1 799

DEFINITIONS AND TERMS

1.1 DEFINITIONS OF TERMS. As used in this agreement, the following terms shall have the following meanings unless the context shall expressly provide otherwise:

a. "Board" or "Board of Directors" shall refer to the Board of Directors of BAYNEBRIDGE CONDOMINIUMS, INC.

b. "Common Assessment" means the charge against each Unit Owner and his Unit, representing a portion of the total costs to the Association of maintaining, improving, repairing, replacing managing and operating the Property, which are to be paid uniformly and equally by each Unit Owner of the Association, as provided herein. This shall also include charges assessed against each Unit Owner to maintain a reserve for replacement fund and to cover costs incurred by the Association to participate in any condemnation suit, as provided in Paragraph 6.3 hereof.

c. "Common Elements" means and includes all of the Property described in Exhibit "A", and all of the improvements thereto and thereon located, excepting all Units. Common Elements shall consist of the General Common Elements and the Limited Common Elements.

d. "Common Expenses" means and includes:

(1) All sums lawfully assessed against the Common Elements by the Managing Agent or Board;

(2) All expenses of administration and management, maintenance, operation, repair or replacement of and addition to the Common Elements (including unpaid special assessments);

(3) Expenses agreed upon as Common Expenses by the Unit Owners;
and

(4) Expenses declared to be Common Expenses by this Declaration or by the By-Laws.

e. "Completed Unit" means a finished Unit, for which the Declarant

Property and the membership of which shall be composed of all the Owners of the Condominium Units according to such By-Laws.

g. "Condominium Unit" shall mean an individual Unit together with the interest in the Common Elements (General or Limited) appurtenant to such Unit.

h. "Construction Period" means that period of time during which Declarant is developing the Premises and selling the Condominium Units, which time period shall extend from the date hereof, until such time as the Declarant transfers title to all of the Condominium Units.

i. "Declarant" shall mean GENEVA A. MEIS, JIM LEE, GARY UNRUH and VINSON WOOD, who are developing the Property as a condominium.

j. "Declaration" shall mean this Condominium Declaration instrument.

k. "General Common Elements" means a part of the Common Elements and includes:

- (1) The real property described in Exhibit "A" attached hereto;
- (2) The foundation, bearing walls and columns, roof, halls, lobbies, stairways and entrances and exits or communication ways;
- (3) The basement, roof, yards and gardens, except as otherwise herein provided or stipulated;
- (4) All premises for the lodging of janitors or persons in charge of the Building, except as otherwise herein provided or stipulated;
- (5) All compartments or installations of central services, such as electric, gas, water, refrigeration, central air conditioning and central heating reservoirs, elevator, water tanks and pumps, hot tub, storage space, and the like;
- (6) All garbage containers and, in general, all devices or installations existing for common use; and

m. "Limited Common Elements" means and includes those Common Elements which are reserved for the exclusive use of an individual Owner of a Unit or a certain number of individual Owners of Units, for the exclusive use of those Owners, which may include:

(1) "Air handlers", pipes, ducts, heating, ventilating and air conditioning lines, electrical wiring and conduits located entirely within a Unit or adjoining Units and serving only such Unit or Units, and such portions of the perimeter walls, floors and ceilings, doors, vestibules, windows, entryways, and all associated fixtures and structures therein as lie outside the Unit boundaries; and

(2) Garage spaces designated as an appurtenance to a Unit; and

(3) Balcony or patio structures serving exclusively a single Unit or one (1) or more adjoining Units.

n. "Majority of Unit Owners" means those Owners with fifty-one percent (51%) of the votes entitled to be cast.

o. "Occupant" means a person or persons in possession of a Unit, regardless of whether said person is a Unit Owner.

p. "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof, who owns, of record, title to one (1) or more Condominium Units.

q. "Plat", "Survey Map", "Map" and "Plans" mean or include the engineering survey of the land, locating thereon all of the improvements, the floor and elevation plans and any other drawing or diagrammatic plan depicting a part of, or all of, the improvements, same being herewith filed, consisting of Sixteen (16) sheets, labeled Exhibit "B" and incorporated herein. It is expressly agreed and each and every Purchaser of a Unit, his heirs, executors, administrators, assigns and grantees hereby agree that the square footage, size and dimensions of each Unit as set out or shown in this Declaration or in the survey Plats exhibited hereto are approximate and are shown for descriptive purposes only. The

waives any claim or demand which he may have against the Developer or any person whosoever on account of any difference, shortage or discrepancy between the Unit as actually and physically existing and as it is shown on the respective Plat thereof exhibited hereto. It is specifically agreed that in interpreting deeds, mortgages, deeds of trust and other instruments for any purposes whatsoever or in connection with any matter, the existing physical boundaries of the Unit shall be conclusively presumed to be the boundaries regardless of settling, rising or lateral movements of the Building, and regardless of variances between boundaries as shown on the plat and those of the Building.

r. "Premises", "Project", or "Property" means and includes the land, the Building and all improvements and structures thereon and all rights, easements and appurtenances belonging thereto.

s. "Special Assessments". In addition to the common assessments described above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of deferring, in whole or in part:

(1) The cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto; or

(2) The expense of any other contingencies or unbudgeted costs; provided that any such assessment shall have the assent of sixty-seven percent (67%) of the votes of the Members who are voting in person or by proxy at a meeting duly called for this purpose. Any amounts assessed pursuant hereto shall be assessed to Owners in proportion to the interest in the Common Elements owned by each. The Association, after due notice and hearing, shall also have the authority to establish and fix a special assessment upon any Unit to secure the liability of the Owner of such Unit to the Association for any breach by such Owner of any of the provisions of this

Units in the Project as shown on the Maps, which are exhibits attached hereto, and each Unit shall include the air space assigned thereto. The boundaries of each such Unit shall be and are the interior surfaces of the perimeter wall, floors, ceilings, window frames, doors, door frames and trim, and the exterior surfaces of balconies and patios; and the space includes both the portions of the Building so described, and the air space so encompassed, excepting the Common Elements. In interpreting deeds, mortgages, deeds of trust and other instruments, the existing physical boundaries of the Unit reconstructed in substantial accordance with the original plans thereof shall be conclusively presumed to be its boundaries, regardless of settling, rising or lateral movement of the Building and regardless of variances between boundaries shown on the Plat and those of the Building. The individual ownership of each Unit space herein defined shall further include the interior construction, partitions, appliances, fixtures and improvements which are intended to exclusively serve such Unit space, such as interior room walls, floor coverings or finish, closets, cabinets, shelving, individual bathroom and kitchen fixtures, plumbing and appliances, individual lighting and electrical fixtures and other separate items or chattels belonging exclusively to such Unit, any of which may be removed, replaced, disposed of or otherwise treated without affecting any other Unit space or ownership, use or enjoyment thereof. None of the land in this Project on which any Unit space or porch space is located shall be separately owned, as all land in this Project shall constitute part of the "Common Elements" of the Property as herein defined, and shall be owned in the term "Unit", as used in this Declaration, shall have the same meaning as the term "Apartment" as used in the Act.

ARTICLE II

CONDOMINIUM UNIT DESIGNATIONS AND DESCRIPTIONS

b. The linear measurements and location, with reference to the exterior boundaries of the land, of the Buildings and all other improvements constructed, or to be constructed, on said land by Declarant;

c. The exterior boundaries and number of each Unit, expressing its square footage, and any other data necessary for its identification, which information will be depicted by a Plat of such floor of the Building showing the letter of the Building, the number of the floor and the number of the Unit; and

d. The location of the Limited Common Elements.

2.2 DESIGNATION OF UNITS. The Property is hereby divided into twelve (12) separately designated Units contained within the two (2) Buildings. Each Unit is identified by number and each Building is identified by the letter "A" and "B" on the Map. The remaining portion of the Premises, referred to as the Common Elements, shall be owned in common by the Owners. The Owners of each Unit shall own an undivided interest in said Common Elements, the percentage or fraction thereof for each unit being as shown on the attached Exhibit "C".

2.3 LIMITED COMMON ELEMENTS. Portions of the Common Elements are set aside and reserved for the exclusive use of the individual Owners, such areas being Limited Common Elements. The Limited Common Elements reserved for the exclusive use of the individual Owners are the parking spaces and patio and balcony structures. Such spaces and structures are allocated and assigned by the Declarant to the respective Units, as indicated on the Plat. Such Limited Common Elements shall be used in connection with the particular Unit, to the exclusion of the use thereof by the other Owners, except by invitation.

2.4 REGULATION OF COMMON AREAS. Portions of the Common Areas are intended as recreation areas, and are improved with green areas, hot tub, storage space, and other facilities. Reasonable regulations governing the use of such facilities by Owners and by their guests and invitees shall be promulgated by the Declarant, or by the Board of Directors of the Association after the same has been elected. Such regulations shall be permanently posted

not be conveyed, leased or encumbered separately, and shall at all times remain indivisible.

2.6 DESCRIPTIONS. Every deed, lease, mortgage, trust deed or other instrument may legally describe a Condominium Unit by its identifying Building letter and Unit number, as shown on the Map, followed by the words BAYNEBRIDGE CONDOMINIUMS and by reference to this recorded Declaration and Map. Every such description shall be deemed good and sufficient for all purposes to convey, transfer, encumber or otherwise affect the Common Elements.

2.7 ENCROACHMENTS. If any portion of the Common Elements encroaches upon a Unit or Units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. If any portion or portions of a Unit or Units encroach upon the Common Elements, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. A valid easement also exists to that portion of the General Common Elements and of the Limited Common Elements occupied by any part of an Owner's Unit not contained within the physical boundaries of such Unit, including, but not limited to, space occupied by heating and air conditioning equipment, utility lines and similar equipment which serves only one (1) Unit. For title or other purposes, such encroachments and easements shall not be considered or determined to be encumbrances either on the Common Elements or the individual Units.

2.8 GOVERNMENTAL ASSESSMENT. Declarant shall give written notice to the Assessor's Office of the creation of Condominium Ownership of this Property, as is provided by law, so that each Unit and its percentage or fraction of undivided interest in the Common Elements shall be deemed a separate parcel and subject to separate assessment and taxation.

2.9 USE AND OCCUPANCY RESTRICTIONS.

a. Subject to the provisions of this Declaration and By-Laws, no part of the Property may be used for purposes other than housing and the related common purposes for which the Property was designed. Each Unit or

- (1) Maintaining his personal professional library;
- (2) Keeping his personal business or professional records or accounts; or
- (3) Handling his personal, business, or professional telephone calls or correspondence, which uses are expressly declared customarily incidental to the principal residential use and not in violation of said restrictions.

b. That part of the Common Elements separating and located between and exclusively serving two (2) or more adjacent Units used together (including, without limitation, portions of any hallway and any walls) may be altered with written consent of the Board, as provided in Paragraph 3.8 herein, to afford ingress to and egress from such Units and to afford privacy to the Occupants of such Units when using such Common Elements, and that part of the Common Elements so altered may be used by the Unit Owner or Owners of such Units as a licensee pursuant to a license agreement with the Association, provided:

- (1) The responsibility of obtaining any necessary building permits and the expense of making such alterations shall be paid in full by the Unit Owner or Owners making such alterations;

- (2) Such Unit Owner or Owners shall pay in full the expense of restoring such Common Elements to their condition prior to such alteration in the event such Units shall cease to be used together, as aforesaid; and

- (3) Such alteration shall not interfere with the use and enjoyment of the Common Elements (other than the aforesaid part of the Common Elements separating such adjacent Units), including, without limitation, reasonable access and ingress to and egress from the other Units in the hallway affected by such alteration.

c. The Common Elements shall be used only by the Unit Owners and their agents, servants, tenants, family members, customers, invitees and

Owner, and may be subject to lease, concession or easement, presently in existence or entered into by the Board at some future time.

e. Without limiting the generality of the foregoing provisions of this Paragraph 2.9, use of the Property by the Unit Owners shall be subject to the following restrictions:

(1) Nothing shall be stored in the Common Elements without prior consent of the Board, except in storage areas or as otherwise herein expressly provided;

(2) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Property without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or the Common Elements which will result in the cancellation of insurance on any Unit, or any part of the Common Elements, or which will be in violation of any law. No waterbeds are allowed.

(3) No waste shall be committed in or on the Common Elements;

(4) Subject to Declarant's rights under Paragraph 2.9e(14)(d) of this Declaration, no sign of any kind shall be displayed to the public view on or from any Unit or Common Elements without the prior written consent of the Board or the written consent of the Managing Agent acting in accord with the Board's direction;

(5) All window coverings shall be white;

(6) No noxious or offensive activity shall be carried on, in or upon the Common Elements, nor shall anything be done therein which may be or become an unreasonable annoyance or a nuisance to any other Unit Owner. No loud noises or noxious odors shall be permitted on the Property, and the Board shall have the right to determine in accordance with the By-Laws if any such noise, odor or activity constitutes a nuisance. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles,

shall be located, used or placed on any portion of the Property or exposed to the view of other Unit Owners without the prior written approval of the Board;

(7) Except as expressly provided hereinabove, nothing shall be altered or constructed in or removed from the Common Elements, except upon the written consent of the Board as provided hereinafter;

(8) No structure of a temporary character, trailer, tent, shack, garage, barn or other outbuildings shall be permitted on the Property at any time temporarily or permanently, except with the prior written consent of the Board; provided, however, that temporary structures may be erected for use in connection with the repair or rebuilding of the Building or any portion thereof;

(9) No rubbish, trash or garbage or other waste material shall be kept or permitted upon any Unit or the Common Elements, except in sanitary containers located in appropriate areas screened and concealed from view, and no odor shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its Occupants. There shall be no exterior fires whatsoever except barbecue fires contained within receptacles designed in such a manner that no fire hazard is created. No clothing or household fabrics shall be hung, dried or aired in such a way in the Property as to be visible to other Property and no lumber, grass, shrub or tree clippings, plant waste, metals, bulk material, scrap, refuse or trash shall be kept, stored or allowed to accumulate on any portion of the Property, except within an enclosed structure or if appropriately screened from view;

(10) No Unit Owner shall park, store or keep any vehicle, except wholly within the parking space designated therefor, and any inoperable vehicle shall not be stored in a parking space within

unit, motor home, truck, trailer, boat, mobile home or other similar vehicle deemed to be a nuisance by the Board). No Unit Owner shall conduct major repairs or major restorations of any motor vehicle, boat, trailer, aircraft or other vehicle upon any portion of the Common Elements. Parking spaces shall be used for parking purposes only. The Board may designate parking spaces restricted to motorcycle use;

(11) Except within individual Units, no planting, transplanting or gardening shall be done, and no fences, hedges or walls shall be erected or maintained upon the Property, except as approved by the Board;

(12) Motorcycles, motorbikes, motor scooters or other similar vehicles shall not be operated within the Property except for the purpose of transportation directly from a parking space to a point outside the Property, or from a point outside the Property directly to a parking space;

(13) No animals, livestock, reptiles, or poultry of any kind shall be raised, bred or kept in any Unit or the Common Elements. Dogs, cats, fish, birds and other household pets may be kept in Units subject to rules and regulations adopted by the Association, provided they are not kept, bred or maintained for commercial purposes or in unreasonable quantities. Prior to any pet being placed on the premises, an Owner must have the prior written approval of the Board; if the Board does not respond within two (2) weeks, approval shall be deemed granted. As used in this Declaration, "unreasonable quantities" shall ordinarily mean more than one (1) pet per household; provided, however, the Association may determine a reasonable number in any instance to be more or less, and the Association shall limit the size and weight of any pet allowed to twenty (20) pounds. The Association, acting through the Board, shall

held by a person capable of controlling the animal. The enclosure must be so maintained that the animal cannot escape therefrom and shall be subject to the approval of the Board. Should any animal belonging to a Unit Owner be found unattended out of the enclosure and not being held on a leash by a person capable of controlling the animal, such animal may be removed by Declarant (for so long as it has control over the Association) or a person designated by declarant to do so, and subsequent thereto by the Association or its Managing Agent, to a pound under the jurisdiction of the local municipality in which the Property is situated and subject to the laws and rules governing said pound, or to a comparable animal shelter. Any pet removed twice from the project shall not be allowed to return. Furthermore, any Unit Owner shall be absolutely liable to each and all remaining Unit Owners, their families, guests, tenants and invitees, for any unreasonable noise or damage to person or property caused by any animals brought or kept upon the Property by a Unit Owner or members of his family, his tenants or his guests; and it shall be the absolute duty and responsibility of each such Unit Owner to clean up after such animals which have used any portion of the Common Elements;

(14) It is intended that these Condominiums be Owner-occupied; however leasing is permitted. No Unit Owner shall be permitted to lease his Unit for hotel or transient purposes, which, for purposes of this paragraph is defined as a period less than thirty (30) days. No Unit Owner shall be permitted to lease less than the entire Unit. Every such lease shall be in writing. Every such lease shall provide that the lessee shall be bound by and subject to all of the obligations under the Declaration and By-Laws, of the Unit Owner making such lease and failure to do so shall be a default thereunder.

The Unit Owner making such lease shall not be relieved thereof.

(a) Prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from doing in any Unit owned by them whatever they determine to be necessary or advisable in connection with the completion of any work thereon;

(b) Prevent Declarant, its successors or assigns, or its or their representatives, from erecting, constructing and maintaining on the Common Elements or any Unit owned or controlled by Declarant, its successors or assigns, or its or their contractors or subcontractors, such structures as may be reasonably necessary for the conduct of its or their business of completing any work and establishing the Property as a Condominium and disposing of the same by sale, lease or otherwise;

(c) Prevent Declarant, its successors or assigns, or its or their representatives, from maintaining a Sales Office and maintaining and showing model Units to aid in the marketing of the Units during the Construction Period; or

(d) Prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from maintaining such sign or signs for marketing of Units in the Property.

2.10 RESERVATION OF VARIANCE. Notwithstanding any provision of this Declaration to the contrary, the Declarant reserves unto itself the exclusive right to amend the Condominium Plat and to vary the size, shape, physical layout or location of the unsold Units and to correspondingly adjust the sales price and the percentage or fraction of ownership of the Common Elements or the respective Units remaining unsold. Such adjustment in the percentage or fraction of ownership of the Common Elements will only affect those Units owned by the Declarant, and will not change or affect the percentage or fraction of ownership of any other Unit. This reservation shall not work to

ARTICLE III

RIGHTS AND OBLIGATIONS OF OWNERSHIP

3.1 OWNERSHIP. A Condominium Unit will be a fee simple estate and may be held and owned by any person, firm, corporation or other entity singularly, as joint tenants, as tenants in common, or in any real property tenancy relationship recognized under the laws of the State of Texas.

3.2 PARTITION. The Common Elements (both General and Limited) shall be owned in common by all of the Owners of the Condominium Units and shall remain undivided, and no Owner shall bring any action for partition or division of the Common Elements other than that as specifically provided for hereinafter in Paragraph 6.2, "Judicial Partition". Nothing contained herein shall be construed as a limitation of the right of partition of a Condominium Unit between the Owners thereof, but such partition shall not affect any other Condominium Unit.

3.3 EXCLUSIVENESS OF OWNERSHIP. Each Unit shall be entitled to exclusive ownership and possession of his Unit. Each Owner may use the Common Elements in accordance with the purposes for which they are intended, without hindering or encroaching upon the lawful rights of the other Owners.

3.4 ONE-FAMILY RESIDENTIAL DWELLING. Each Unit shall be occupied and used or leased by the Owner only as and for a residential dwelling for the Owner, his family, his social guests or his tenants.

3.5 MECHANIC'S AND MATERIALMAN'S LIEN. No labor performed or materials furnished and incorporated in a Unit, notwithstanding the consent or request of the Owner, his agent, contractor or subcontractor, shall be the basis for filing of a lien against the Common Elements owned by such other Owners. Each Owner shall indemnify and hold harmless each of the other Owners from and against all liability arising from the claim of any lien against the Unit of any other Owner or against the Common Elements for construction performed or for labor, materials, services or other products incorporated in the Owner's Unit at such Owner's request.