ELECTRONICALLY RECORDED 2018029955
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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This Declaration of Covenants, Conditions and Restrictions (this "Declaration") is entered into by and between **2500 LAMAR, LLC**, a Texas limited liability company, its successors or assigns ("Owner"), and **ORIGINAL WEST UNIVERSITY NEIGHBORHOOD ASSOCIATION,** ("OWUNA"), and, as to the enforceability of the Affordability Restriction (defined below), **HOMEBASE TEXAS**, a Texas non-profit corporation ("HomeBase"), as of the 28th day of February, 2018.

RECITALS

WHEREAS, Owner owns the tracts of land described in City of Austin Zoning Case No. C14-2016-0135, more particularly described in Exhibit "A" attached hereto and made a part hereof (the "Property");

WHEREAS, Owner intends to redevelop the Property as apartments and office uses (the "Project"), and, in order to do so, has made application to rezone the Property General Office-Mixed Use-Vertical Mixed Use-Conditional Overlay-Neighborhood Plan (GO-MU-V-CO-NP) Combining District Zoning from the City of Austin ("City") in Zoning Case No. C14-2016-0135 (the "Zoning Case"). The current zoning, General Office-Mixed Use-Conditional Overlay-Neighborhood Plan (GO-MU-CO-NP), allows office uses, but does not allow other uses or development options as may be permitted by approval of the Zoning Case;

WHEREAS, Owner and OWUNA have agreed that if the Zoning Case is approved and signed into ordinance by the City and is no longer appealable ("Zoning Approval"), the Property shall be restricted by these covenants that are important to OWUNA and its members, and that these conditions shall be filed of record with the Official Public Records of Travis County, Texas, and shall henceforth bind the Owner and its successors and assigns, and restrict the use of the Property as described herein, and such restrictions shall be made enforceable by OWUNA and its members through this Declaration;

WHEREAS, upon the effective date of the Zoning Approval of the Zoning Case, and subject to all of the terms and conditions of this Declaration, Owner has voluntarily agreed to henceforth restrict the Property with certain restrictive covenants, which are described herein; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and subject to all of the terms and conditions of this Declaration, the undersigned agrees to hold, sell and convey the Property subject to the following covenants, conditions and restrictions, which are impressed upon the Property by this

Declaration.

I. DECLARATIONS AND AGREEMENTS

1.1 Utilization of Zoning Entitlements. Owner may only utilize the entitlements made applicable to the Property by the Zoning Case if the Project contains the conditions expressed in this covenant.

1.2 Covenants, Conditions and Restrictions upon Property. Owner declares that the Property is subject to the following covenants, conditions and restrictions, which shall run with the Property and bind all parties having right, title, or interest in or to the Property or any part, their respective heirs, successors, and assigns. Each deed or conveyance of any kind conveying all or a portion of the Property will conclusively be held to have been executed, delivered, and accepted subject to these covenants, conditions and restrictions, regardless of whether or not they are set out in full or by reference in the deed or conveyance.

1.2.1 Affordability Requirements. Commencing on the date the City of Austin issues a certificate of occupancy for the Project and continuing for a period of forty (40) years thereafter (the "Affordability Period"), the greater of (i) ten percent (10%) of the residential units within the Project, or (ii) seven and one-half percent (7.5%) of the conditioned square footage of the improvements comprising the Project, shall be reserved as affordable for rental by households earning no more than sixty percent (60%) of the annual median family income in the Austin statistical metropolitan area, as determined by the director of the City of Austin's Neighborhood Housing and Community Development Office (the foregoing restriction and covenant being referred to herein as the "Affordability Restriction"). Such affordable units shall be proportionate to the overall unit mix of the residential portion of the Project.

1.2.2 Ground Floor Use Restriction. In the event the Property is redeveloped pursuant to the Vertical Mixed Use Building overlay, the Project will be designed so that the primary use within the ground floor of the Project shall be office use.

1.2.3 Sidewalks. Upon redevelopment of the Property in accordance with the Zoning Approval, Owner, at Owner's sole cost and expense, agrees to diligently pursue obtaining permission and permits from the City of Austin and other necessary governmental or quasigovernmental authorities to install sidewalks consistent with the University Neighborhood Overlay ("UNO") streetscape standards in effect as of the date of this Declaration within the right of way ("ROW") adjacent to the Property along the north side of West 25th Street between Longview Street and North Lamar Boulevard. To the extent that (i) the City fails or refuses to issue permits to construct the sidewalk or (ii) Owner deems, in consultation

with OWUNA, that such sidewalks and related improvements are not physically feasible, Owner shall not be required hereunder to perform such installation.

1.2.4 Traffic Safety Study. Prior to submittal of a site development permit for the Property, Owner shall conduct, or cause to be conducted, a traffic safety study (the "Safety Study"). Following completion of the Safety Study the Owner shall provide a copy of the Safety Study results and any conclusion reports (the "Safety Study Report") to OWUNA within one week of receipt. Additionally, Owner will work with OWUNA to set a meeting with the City of Austin to review the Safety Study Report and identify improvements that will remedy issues raised in the Safety Study Report. Owner agrees to work with OWUNA to advocate for the improvements identified in the Safety Study Report that do not fall within the purview of the Project. In conjunction with the Site Development Permit process, Owner agrees to work with the City of Austin to incorporate improvements identified in the Safety Study Report in traffic mitigations required by the City of Austin for approval of the Site Development Permit. Nothing in this Declaration shall require Owner to fund or construct any improvements identified in the Safety Study Report not required as a condition of approval by the City of Austin for a Site Development Permit for the Project.

1.2.5 Height: The maximum height for the Project shall be 60-feet as defined by the City of Austin Land Development Code. This regulations shall supersede the height requirement of any zoning designation added to the Property via the City of Austin CodeNEXT process.

1.2.6 Escrow Account: Prior to approval of the Zoning Case on third reading, the Owner shall deposit $25,000 (the "Escrowed Funds") into an escrow account established at Heritage Title Company of Austin ("Escrow Agent"). The Escrowed Funds shall be held by Escrow Agent for the benefit of OWUNA, as security for the performance of Owner's obligations under this Declaration other than the Affordability Restriction, and HomeBase, as security for the performance of Owner's obligations under the Affordability Restriction, and shall be disbursed to OWUNA or HomeBase, as the case may be dependent upon the nature of the default, as set forth in this paragraph (which terms shall also be incorporated into an escrow agreement ("Escrow Agreement") between Owner, OWUNA, HomeBase, and Escrow Agent. In the event Owner defaults in its obligations under this Declaration, OWUNA or HomeBase (depending upon the default) shall give Owner written notice of such default (the "Default Notice") and provide a copy of the Default Notice to Escrow Agent. The Default Notice shall specify the nature and description of the default in detail. If Owner fails to cure the default within thirty (30) days from the date Owner receives the Default Notice (or, such

longer period of time (not to exceed ninety (90) days from the date of the Default Notice), if such default is not of a nature that cannot be cured within such thirty (30) day period in the reasonable discretion of Owner, OWUNA or, as to the Affordability Restriction defaults, HomeBase, so long as Owner commences the cure within the first thirty (30) days and diligently pursues same) (such period of time being referred to herein as the "Cure Period"), Escrow Agent will release funds from the Escrowed Funds to reimburse OWUNA, if for other than Affordability Restriction defaults, or HomeBase, if for breaches of the Affordability Restriction, for actual, out of pocket costs and expenses associated with enforcement of the Owner's obligations under this Declaration, including without limitation, reasonable attorneys' fees and court costs, which costs and expenses shall be evidenced by invoices or receipted payments as may be reasonably required by Escrow Agent. The Escrow Agreement shall be executed prior to the Zoning Case being approved by City Council on third reading and shall incorporate the provisions of this paragraph 1.2.6 and shall otherwise be on a form approved by Owner, OWUNA, HomeBase, and Escrow Agent in their reasonable discretion.

1.3 Terms of Support. All items listed in Section 1.2 above (other than the Affordability Restriction which is not enforceable by OWUNA under any circumstance) are enforceable by OWUNA and the Affordability Restriction is enforceable by HomeBase only under the condition that OWUNA positively supports the Zoning Case during the Austin City Council meetings in which votes for the Zoning Case take place and at all times prior to the Zoning Approval. This support may be in the form of a letter to the Mayor of Austin and the Austin City Council Members or by a public statement by an authorized representative of OWUNA during such Land Use Commission and City Council meetings. To the extent that any action is taken or statement is made contrary to this paragraph by an authorized representative of OWUNA prior to the City granting the Zoning Approval, this Declaration shall be deemed null and void.

II. DEFAULT AND REMEDIES

2.1 Remedies. Following the occurrence of a breach of (i) Owner's obligations under Section 1.2 of this Declaration or (ii) OWUNA's obligations under Section 1.3 of this Declaration, only Owner, including its successors and assigns, and OWUNA or its board members shall be entitled to institute proceedings for full and adequate relief from the consequences of said breach or threatened breach. If either party to this Declaration (a "Defaulting Party") shall fail to comply with any term, provision or covenant of this Declaration and

shall not cure such failure within thirty (30) days after receipt of written notice (or if the default is of such character as to require more than thirty (30) days to cure and the Defaulting Party shall fail to commence to cure the same within such period or shall fail to use reasonable diligence in curing such default thereafter) from a person or entity with the right hereunder to seek relief for such breach (a "Non-Defaulting Party") to the Defaulting Party of such failure, the Non-Defaulting Party shall have the option of pursuing any remedy it may have at law or in equity, including, without limitation, specific performance or injunctive relief from a court of competent jurisdiction.

III. GENERAL PROVISIONS

3.1 No Third-Party Beneficiary. Other than HomeBase, with respect to the Affordability Restriction, the provisions of this Declaration are for the exclusive benefit of the parties hereto, and their successors and assigns, and not for the benefit of any third person, including without limitation, the City of Austin, nor shall this Declaration be deemed to have conferred any rights, express or implied, upon any third person or the public.

3.2 No Dedication. No provision of this Declaration shall ever be construed to grant or create any rights whatsoever in or to any portion of the Property other than the covenants, conditions and restrictions specifically set forth herein. Nothing in this Declaration shall ever constitute or be construed as a dedication of any interest herein described to the public or give any member of the public any right whatsoever.

3.3 Notice. All notices required or permitted to be given hereunder, or given in regard to this Declaration, shall be in writing and the same shall be given and be deemed to have been served, given and received (a) one (1) business day after being placed in a prepaid package with a national, reputable overnight courier addressed to the other party at the address hereinafter specified; or (b) if mailed, three (3) business days following the date placed in the United States mail, postage prepaid, by certified mail, return receipt requested, addressed to the party at the address hereinafter specified. Owner and OWUNA may change their respective addresses for notices by giving five (5) business days' advance written notice to the other in the manner provided for herein. Until changed in the manner provided herein, Owner and OWUNA's address for notice is as follows:

[The Remainder of This Page Is Intentionally Left Blank]

Owner:

2500 Lamar, LLC
2501 Lamar Blvd, Suite 300
Austin, Texas 78705
Attn: David Kanne

With a copy to:

Drenner Group, P.C.
200 Lee Barton Drive, Suite 100
Austin, Texas 78704
Attn.: Stephen O. Drenner

HomeBase

HomeBase Texas
Attn: Phyllis Snodgrass
500 West Ben White Blvd.
Austin, Texas 78704

OWUNA: Original West University Neighborhood Association
c/o Karrie League
1305 W. 22nd Street
Austin, Texas 78705

3.4 Attorneys' Fees. The unsuccessful party in any non-appealable and final action brought to enforce this Declaration shall pay to the prevailing party a reasonable sum for costs incurred by the prevailing party in enforcing this Declaration, including reasonable attorneys' fees and court costs.

3.5 Entire Declaration. This Declaration constitutes the entire agreement between the parties hereto regarding the matters set forth herein. The parties do not rely upon any statement, promise or representation with respect to the matters set forth herein that is not herein expressed, and, except in accordance with Section 3.11 below, this Declaration once executed and delivered shall not be modified or altered in any respect except by a writing executed and delivered in the same manner as required by this document.

3.6 Severability. If any provision of this Declaration shall be declared invalid, illegal or unenforceable in any respect under any applicable law by a court of competent jurisdiction, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby. It is the further intention of the parties that in lieu of each covenant, provision or agreement of this Declaration that is held invalid, illegal or unenforceable, that be added as a part hereof a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may possible and be legal, valid and enforceable.

3.7 Rights of Successors; Interpretation of Terms. The restrictions, benefits and obligations hereunder shall create benefits and servitudes running with the land. Subject to the other provisions hereto, this Declaration shall bind and inure to the benefit of the parties and their respective successors and assigns. Reference to "Owner" includes the future owners of their respective portions of the Property, including any portions of the Property that may in the future be created as separate tracts pursuant to a resubdivision of any portion of the Property. The singular number includes the plural and the masculine gender includes the feminine and neuter.

3.8 Estoppel Certificates. Either Owner or OWUNA (or any mortgagee holding a first lien security interest in any portion of the Property) may, at any time and from time to time, in connection with the leasing, sale or transfer of its tract, or in connection with the financing or refinancing of its tract by any bona fide mortgage, deed of trust or sale-leaseback made in good faith and for value, deliver a written notice to the other party requesting that such party execute a certificate, in a form reasonably acceptable to such party, certifying that, to such party's then current actual (not constructive) knowledge, (a) the other party is not in default in the performance of its obligations to or affecting such party under this Declaration, or, if in default, describing the nature and amount or degree of such default, and (b) such other information regarding the status of the obligations under this Declaration as may be reasonably requested. A party shall execute and return such certificate within twenty (20) days following its receipt of a request therefor.

3.9 Counterparts; Multiple Originals. This Declaration may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

3.10 Conflict with Ordinance. To the extent that any of the covenants, conditions and restrictions contained within this Declaration conflict with terms or conditions addressed in the zoning ordinance issued by the City of Austin in connection with the Zoning Case, or any supporting materials, for purposes of this Declaration the terms and conditions of this Declaration shall control.

3.11 Approval of the City Applications. Notwithstanding any other provision of this

Declaration to the contrary, the agreements of Owner reflected herein are conditioned upon final approval (i.e., third reading) of the Zoning Case by the City of Austin City Council, with no subsequent appeal, and in a form and on terms and conditions acceptable to Owner in its sole discretion. If the Zoning Approval is not granted in a form acceptable to Owner, the covenants, conditions and restrictions contained within this Declaration shall not be applicable and shall be terminated. To the extent that (i) this Declaration is not deemed applicable and terminated pursuant to the immediately preceding sentence, (ii) at any time following the expiration of the Affordability Period, (iii) OWUNA fails to give its support in accordance with Section 1.3 hereof, or (iv) on any day following the date the Project ceases to exist as a result of a redevelopment that does not include residential multifamily housing, this Declaration shall be deemed of no further force and effect and shall terminate and an affidavit executed by Owner and recorded in the Official Public Records of Travis County, Texas, certifying the facts supporting and evidencing the termination of this Declaration (a "Termination Affidavit") shall be deemed sufficient to release this Declaration from the Official Public Records of Travis County, Texas, such that this Declaration shall no longer encumber the Property. Third parties shall have the right to rely on such Termination Affidavit, provided, however, at Owner's request and expense, OWUNA and HomeBase shall execute and acknowledge a counterpart to such Termination Affidavit. The Termination Affidavit shall be sufficient evidence for Escrow Agent to terminate the Escrow Agreement and release any Escrowed Funds previously delivered into escrow to Owner without further action or consent by OWUNA or HomeBase.

3.12 Effective Date. This Declaration shall become effective upon the final effective date of the Zoning Case by the City of Austin in a form acceptable to Owner. If the Zoning Case is not approved in a form acceptable to Owner, then, consistent with Section 3.11 above, this Declaration shall be void and of no effect.

[The Remainder of This Page Is Intentionally Left Blank. Signature Pages Follow.]

EXECUTED, effective as of the Effective Date as provided herein above.

OWNER:

2500 LAMAR, LLC
a Texas limited liability company

By: _____

Name: David Kanne

Title: Manager

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 1st day of February, 2018, by David Kanne the Manager of 2500 LAMAR, LLC, a Texas limited liability company on behalf of the limited liability company.

_____
Notary Public, State of Texas

ANDREW BENJAMIN CANTU
Notary Public, State of Texas
Comm. Expires 12-12-2021
Notary ID 131377561

HomeBase is executing this Declaration solely for the purpose of having the ability to enforce the Affordability Restriction pursuant to the express terms of this Declaration.

HOMEBASE:

HOMEBASE TEXAS, a Texas non-profit corporation

By: _____

Name: Phyllis Snodgrass

Title: Authorized Person

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 1st day of February, 2018, by Phyllis Snodgrass, the Authorized Person of TEXAS HOMEBASE, a Texas non-profit corporation, on behalf of the non-profit corporation.

YUSSEF HABIB
Notary Public, State of Texas
Comm. Expires 01-14-2020
Notary ID 128729401

_____
Notary Public, State of Texas

OWUNA:

ORIGINAL WEST UNIVERSITY NEIGHBORHOOD ASSOCIATION

By: _____

Name: Karrie League

Title: secretary

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 1st day of February, 2018 by Karrie League, the secretary of ORIGINAL WEST UNIVERSITY NEIGHBORHOOD ASSOCIATION, INC., a Texas non-profit corporation, on behalf of the non-profit corporation.

_____
Notary Public, State of Texas

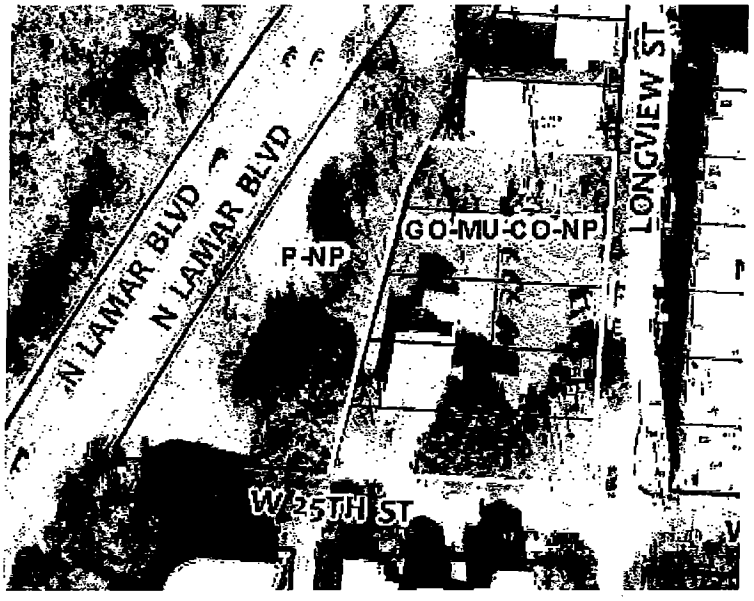
ANDREW BENJAMIN CANTU
Notary Public, State of Texas
Comm. Expires 12-12-2021
Notary ID 131377561

Exhibit A

Property

Address: 1200 West 25th Street, Austin, Travis County, Texas 78705

Total Area: 0.989 acres (43,081 sq. ft.)



FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS
February 28 2018 02:19 PM
FEE: $ 70.00 **2018029955**

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Dana DeBeauvoir, County Clerk
Travis County, Texas
Jun 12, 2019 12:07 PM Fee: $58.00
2019085547
Electronically Recorded

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This Declaration of Covenants, Conditions and Restrictions (this "Declaration") is entered into by and between **ARLINGTON CAPITAL AUSTIN, LLC**, a Texas limited liability company ("Owner"), **UNIVERSTIY AREA PARTNERS, INC.**, a Texas non-profit corporation ("University Area Partners"), as of the 12 day of June, 2019.

RECITALS

WHEREAS, Owner owns the tract of land described in City of Austin Ordinance 20190523-041 more particularly described in Exhibit "A" attached hereto and made a part hereof (the "Property");

WHEREAS, Owner may redevelop the Property with additional height (the "Project') , and, in order to do so, has made application to amend the University's Neighborhood Overlay Height Map in C30-2019-005 (the "Height Map Amendment");

WHEREAS, Owner has agreed that if the Height Map Amendment is approved and signed into ordinance by the City, the Property shall be restricted by these covenants, and that these conditions shall be filed of record with the Official Public Records of Travis County, Texas, and shall henceforth bind the Owner and its successors and assigns, and restrict the use of the Property as described herein, provided further that such restrictions shall be made enforceable exclusively by University Area Partners through this Declaration;

WHEREAS, upon the effective date of the Height Map Amendment, and subject to all of the terms and conditions of this Declaration, Owner has agreed to encumber the Property with certain restrictive covenants, which are described herein; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and subject to all of the terms and conditions of this Declaration, Owner agrees to hold, sell and convey the Property subject to the following covenants, conditions and restrictions, which are impressed upon the Property by this Declaration.

I. DECLARATIONS AND AGREEMENTS

1.1 Utilization of Height Map Entitlements. Owner may only utilize the entitlements made applicable to the Property by the Height Map Amendment Approval if the Project contains the conditions expressed in this covenant.

injunctive relief from a court of competent jurisdiction.

III. GENERAL PROVISIONS

3.1 No Third-Party Beneficiary. The provisions of this Declaration are for the exclusive benefit of University Area Partners, and not for the benefit of any third person, including without limitation, the City of Austin, nor shall this Declaration be deemed to have conferred any rights, express or implied, upon any third person or the public.

3.2 No Dedication. No provision of this Declaration shall ever be construed to grant or create any rights whatsoever in or to any portion of the Property other than the covenants, conditions and restrictions specifically set forth herein. Nothing in this Declaration shall ever constitute or be construed as a dedication of any interest herein described to the public or give any member of the public any right whatsoever.

3.3 Notice. All notices required or permitted to be given hereunder, or given in regard to this Declaration, shall be in writing and the same shall be given and be deemed to have been served, given and received (a) one (1) business day after being placed in a prepaid package with a national, reputable overnight courier addressed to the other party at the address hereinafter specified; or (b) if mailed, three (3) business days following the date placed in the United States mail, postage prepaid, by certified mail, return receipt requested, addressed to the party at the address hereinafter specified. Owner may change their respective addresses for notices by giving five (5) business days' advance written notice to the other in the manner provided for herein. Until changed in the manner provided herein, Owner and University Area Partners' address for notice is as follows:

Owner:

Arlington Capital Austin, LLC.
1776 Broadway, Suite 1720
New York, New York 10019
Attn: Jacob Frumkin

With a copy to:

Drenner Group, P.C.
200 Lee Barton Drive, Suite 100
Austin, Texas 78704
Attn.: Stephen O. Drenner

1.2 Covenants, Conditions and Restrictions upon Property. Owner declares that the Property is subject to the following covenants, conditions and restrictions, which shall run with the Property for a term not to exceed forty (40) years, and bind all parties having right, title, or interest in or to the Property or any part, their respective heirs, successors, and assigns. Each deed or conveyance of any kind conveying all or a portion of the Property will conclusively be held to have been executed, delivered, and accepted subject to these covenants, conditions and restrictions, regardless of whether or not they are set out in full or by reference in the deed or conveyance. Notwithstanding the foregoing, Owner shall have no liability to any party, including University Area Partners, for any acts or omissions taken or not taken after Owner has conveyed the Property in an arms length transaction.

1.2.1

Affordability Requirements. Commencing on the date the City of Austin adopts the Height Map Amendment and Owner develops the Property with a Project having height in excess of fifty feet (50'), ten percent (10%) of the residential units or rooms on-site would be reserved as affordable for rental by households earning no more than sixty percent (60%) of the annual median family income in the Austin statistical metropolitan area as determined by the director of the City of Austin's Neighborhood Housing and Community Development Office and continuing for a period of forty (40) years thereafter (the "Affordability Period"), and ten percent (10%) of additional residential units or rooms within the Project shall be reserved as affordable for rental by households earning no more than fifty percent (50%) of the annual median family income in the Austin statistical metropolitan area, as determined by the director of the City of Austin's Neighborhood Housing and Community Development Office (the foregoing restriction and covenant being referred to herein as the "Affordability Restriction

II. DEFAULT AND REMEDIES

2.1 Remedies. Following the occurrence of a breach of Owner's obligations under Section 1.2 of this Declaration, University Area Partners shall be entitled to institute proceedings for full and adequate relief from the consequences of said breach or threatened breach. If Owner shall fail to comply with any term, provision or covenant of this Declaration and shall not cure such failure within thirty (30) days after receipt of written notice (or if the default is of such character as to require more than thirty (30) days to cure and the Owner shall fail to commence to cure the same within such period or shall fail to use reasonable diligence in curing such default thereafter) from University Area Partners to the Owner of such failure, University Area Partners shall have the option of pursuing any remedy it may have at law or in equity, including, without limitation, specific performance or

University Area Partners

University Area Partners, Inc.
2026 Guadalupe Street
Austin, Texas 78705
Attn: _____

3.4 Entire Declaration. This Declaration constitutes the entire agreement between the parties hereto regarding the matters set forth herein. The parties do not rely upon any statement, promise or representation with respect to the matters set forth herein that is not herein expressed, and, except in accordance with Section 3.10 below, this Declaration once executed and delivered shall not be modified or altered in any respect except by a writing executed and delivered in the same manner as required by this document.

3.5 Severability. If any provision of this Declaration shall be declared invalid, illegal or unenforceable in any respect under any applicable law by a court of competent jurisdiction, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby. It is the further intention of the parties that in lieu of each covenant, provision or agreement of this Declaration that is held invalid, illegal or unenforceable, that be added as a part hereof a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may possible and be legal, valid and enforceable.

3.6 Interpretation of Terms. The singular number includes the plural and the masculine gender includes the feminine and neuter. In the event of any ambiguity of term or concept, Owner and University Area Partners shall be deemed to have jointly drafted this Declaration.

3.7 Estoppel Certificates. Owner (or any mortgagee holding a first lien security interest in any portion of the Property) may, at any time and from time to time, in connection with the leasing, sale or transfer of its tract, or in connection with the financing or refinancing of its tract by any bona fide mortgage, deed of trust or sale-leaseback made in good faith and for value, deliver a written notice to the other party requesting that such party execute a certificate, in a form reasonably acceptable to such party, certifying that, to such party's then current actual (not constructive) knowledge, (a) the other party is not in default in the performance of its obligations to or affecting such party under this Declaration, or, if in default, describing the nature and amount or degree of such default, and (b) such other information regarding the status of the obligations under this Declaration as may be reasonably requested. A party shall execute and return such certificate within twenty (20) days following its receipt of a request therefor.

3.8 Counterparts; Multiple Originals. This Declaration may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

3.9 Conflict with Ordinance. To the extent that any of the covenants, conditions and restrictions contained within this Declaration conflict with terms or conditions addressed in the zoning ordinance issued by the City of Austin in connection with the Proposed UNO Amendment, or any supporting materials, for purposes of this Declaration the terms and conditions of this Declaration shall control.

3.10 Approval of the City Applications. Notwithstanding any other provision of this Declaration to the contrary, the agreements of Owner reflected herein are conditioned upon Code Approval, with no subsequent appeal, and in a form and on terms and conditions acceptable to Owner in its sole discretion. To the extent that (i) this Declaration is not deemed applicable and terminated pursuant to the immediately preceding sentence, (ii) at any time following the expiration of the Affordability Period, (iii) or on any day following the date the Project ceases to exist as a result of a redevelopment that does not include residential multifamily housing, this Declaration shall be deemed of no further force and effect and shall terminate, At Owner's election, an affidavit executed by Owner may be recorded in the Official Public Records of Travis County, Texas as conclusive proof of the termination of this Declaration (a "Termination Affidavit"), sufficient to release this Declaration from the Official Public Records of Travis County, Texas, such that this Declaration shall no longer encumber the Property. Additionally, at Owner's request and reasonable expense, University Area Partners shall execute and acknowledge a counterpart to such Termination Affidavit.

3.11 Effective Date. This Declaration shall become effective upon the final effective date of the Code Approval by the City of Austin in a form acceptable to Owner. If the Proposed UNO Amendment is not approved in a form acceptable to Owner, then, consistent with Section 3.11 above, this Declaration shall be void and of no effect.

[The Remainder of This Page Is Intentionally Left Blank. Signature Pages Follow.]

EXECUTED, effective as of the Effective Date as provided herein above.

OWNER:

Arlington Capital Austin, LLC,
a Texas limited liability company

By: Leah M Bajo
Name: Leah M Bajo
Title: Agent

STATE OF Texas §
§
COUNTY OF Travis §

This instrument was acknowledged before me this 12 day of June —, 2019, by Leah M. Bajo the Agent of Arlington Capital Austin, LLC, a Texas limited liability company on behalf of the company.

KIMBERLY TUCKER
Notary Public, State of Texas
Comm. Expires 06-28-2021
Notary ID 131189532

Kimberly Tucker
Notary Public, State of Texas

University Area Partners, Inc.,
a Texas non-profit corporation

By: Michael R McHone
Name: Michael R. McHone
Title: Vice-President

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 7 day of June, 2019, by Michael McHone Vice President of University Area Partners, Inc., a Texas non-profit corporation on behalf of the corporation.

Kimberly Tucker
Notary Public, State of Texas

KIMBERLY TUCKER
Notary Public, State of Texas
Comm. Expires 06-28-2021
Notary ID 131189532

Exhibit A

Property

EXHIBIT A

APPROVED

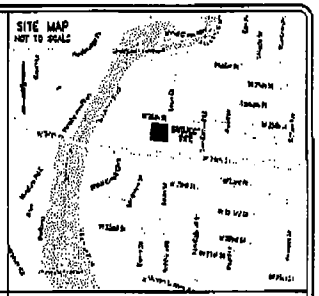
LEGAL DESCRIPTION OF LAND:

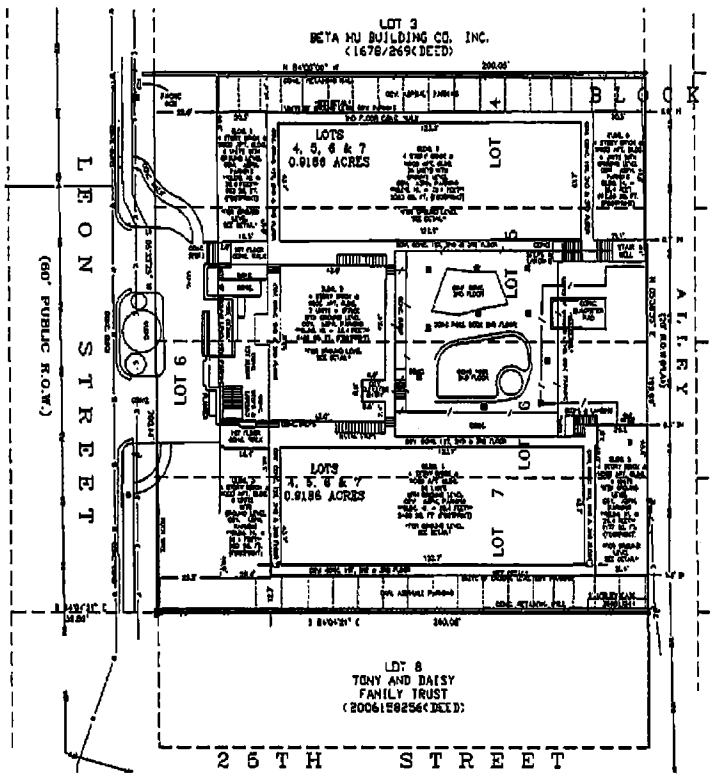
LOT(S) 4, 5, 6 AND 7, BLOCK "2", ROBARD'S SUBDIVISION OF OUTLOTS NOS. 43, 44, 45, 54 AND 55 IN DIVISION "D", A SUBDIVISION IN TRAVIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF, RECORDED IN VOLUME I, PAGE(S) 12 OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS.

GRAPHIC SCALE

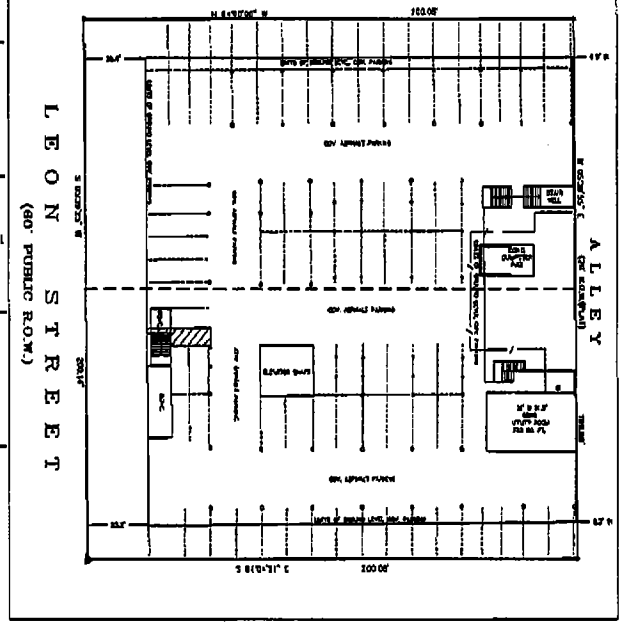


SITE MAP
NOT TO SCALE





GROUND LEVEL DETAIL



FIRST AMERICAN TITLE INSURANCE COMPANY
AND HERITAGE TITLE COMPANY'S TITLE
COMMITMENT NO. 20150-KEA DATED JUNE 26, 2015
SCHEDULE "B" ITEMS

10a) UTILITY EASEMENT GRANTED TO THE CITY OF AUSTIN, BY INSTRUMENT DATED JUNE 22, 1943, RECORDED IN VOLUME 3468, PAGE 1844 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS. (SHOWN HEREON)

10b) SUBJECT TO, THE TERMS, CONDITIONS AND STIPULATIONS OF THAT CERTAIN LATHROP LEASE AGREEMENT DATED APRIL 28, 1999, EVIDENCED BY AN AGREEMENT BETWEEN LATHROP LEASE, LTD., AS LESSOR, AND KING WASH LAUNDROMAT, LP, AS LESSEE, EVIDENCED BY SHORT FORM LEASE RECORDED IN VOLUME 13659, PAGE 309 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS. (NOTED HEREON)

10c) SUBJECT TO TERMS, CONDITIONS, STIPULATIONS AND A BLANKET TYPE MINERAL/EXCESS EASEMENT OF THAT CERTAIN EASEMENT AND MEMORANDUM OF AGREEMENT (AND RESIDENTIAL SERVICES AGREEMENT REFERENCED THEREIN) IN FAVOR OF TRUE WARNER CABLE DATED JUNE 24, 2002, AND RECORDED UNDER DOCUMENT NO. 2002153494 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS. (NOTED HEREON)

10d) SUBJECT TO TERMS, CONDITIONS, STIPULATIONS AND A BLANKET TYPE MINERAL/EXCESS EASEMENT OF THAT CERTAIN EASEMENT AND MEMORANDUM OF AGREEMENT (AND RESIDENTIAL SERVICES AGREEMENT REFERENCED THEREIN) IN FAVOR OF TRUE WARNER CABLE DATED MARCH 1, 2007, AND RECORDED UNDER DOCUMENT NO. 2007051420 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS. (NOTED HEREON)

10e) SUBJECT TO DEED OF TRUST DATED AUG 6, 2009, RECORDED UNDER DOCUMENT NO. 2009128020 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS. EXECUTED BY LONE STAR LOFTS, LP, TO JEFF CONNELLY, TRUSTEE, AND ALL TERMS, CONDITIONS AND STIPULATIONS CONTAINED THEREIN, IN ELUDING ANY ADDITIONAL INDEBTEDNESS SECURED THEREBY, SECURING THE PAYMENT OF ONE PROMISSORY NOTE OF EVEN DATE IN THE PRINCIPAL AMOUNT OF $8,800,000.00, PAYABLE TO WALKER & DUNLAP, LLC.

SAID LIEN ASSIGNED TO FANNIE MAE, BY INSTRUMENT RECORDED UNDER DOCUMENT NO. 2009128249 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS. (NOTED HEREON)

10f) SUBJECT TO FINANCING STATEMENT FILED MAY 1, 2006, RECORDED UNDER DOCUMENT NO. 2006116150 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS NAMING LONE STAR LOFTS, LTD AS DEBTOR, AND THE BENEFIT OF PARTIES MAY BE SECURED PARTY, CREATING A SECURITY INTEREST IN FIXTURES LOCATED ON THE SUBJECT PROPERTY.

SAID FINANCING STATEMENT MODIFIED AND/OR EXTENDED BY INSTRUMENT RECORDED UNDER DOCUMENT NO. 2014019348 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS. (NOTED HEREON)

**) BUILDING HEIGHTS SHOWN HEREON ARE MEASURED FROM LEON STREET.

THIS TRACT CONTAINS 0.9186 ACRES (40005 SQ. FT.) OF LAND.

1) BEARING BASIS = TEXAS STATE PLANE COORDINATES (NAD 83), CENTRAL TEXAS ZONE (4203)

2) THIS TRACT LIES IN ZONE X, AREAS OUTSIDE THE 500-YEAR FLOOD PLAIN, AS SHOWN ON COMMUNITY PANEL NUMBER 48453C 0465 H, OF THE FLOOD INSURANCE RATE MAP PREPARED FOR THE CITY OF AUSTIN BY THE FEDERAL INSURANCE ADMINISTRATION DEPARTMENT, DATED ON SEPT. 26, 2008.

3) THERE ARE 59 REGULAR PARKING SPACES AND 6 HANDICAP PARKING SPACES, FOR A TOTAL OF 65 PARKING SPACES ON THIS TRACT.

4) THE UNDERGROUND UTILITIES SHOWN HEREON ARE SCALED PER CITY OF AUSTIN RECORD UTILITY MAPS.

5) THIS TRACT IS ZONED NP-MU-CO-NP BY THE CITY OF AUSTIN, THE SITE DEVELOPMENT STANDARDS ARE AS FOLLOWS:

LOT		HEIGHT	
MINIMUM LOT SIZE	5,000 SQ. FT.	MAXIMUM HEIGHT	40 FT
MINIMUM LOT WIDTH	50 FT	MINIMUM SETBACKS	
MAXIMUM BUILDING COVERAGE	80%	FRONT YARD	15 FT
MAXIMUM IMPERVIOUS COVER	90%	STREET SIDE YARD	15 FT
MAXIMUM FLOOR AREA RATIO	1.0:1	INTERIOR SIDE YARD	5 FT
MAXIMUM UNITS PER ACRE	36-54	REAR YARD	5 FT

6) THERE IS NO OBSERVED EVIDENCE OF:

A) CURRENT EARTH MOVING WORK, BUILDING CONSTRUCTION OR BUILDING ADDITIONS.

B) RECENT STREET OR SIDEWALK CONSTRUCTION OR REPAIRS.

C) SITE USE AS A SOLID WASTE DUMP, SUMP OR SANITARY LANDFILL.

7) THE SITE HAS DIRECT ACCESS TO THE RIGHT OF WAYS (R.O.W.) SHOWN HEREON, THEY ARE CONTIGUOUS WITH PROPERTY LINES OF THIS TRACT, AND THERE ARE NO GAPS OR GORES BETWEEN SAID.



ADD) ARLINGTON CAPITAL, LLC, A NEW YORK LIMITED LIABILITY COMPANY
G.F. NUMBER: 20150184
DATE: JUNE 26, 2015

TO: ARLINGTON CAPITAL, LLC, A NEW YORK LIMITED LIABILITY COMPANY, FIRST AMERICAN TITLE INSURANCE COMPANY, HERITAGE TITLE COMPANY OF AUSTIN, THEIR SUCCESSORS AND OR ASSIGNS.

THIS IS TO CERTIFY THAT THIS MAP OR PLAT AND THE SURVEY ON WHICH IT IS BASED WERE MADE IN ACCORDANCE WITH THE 2011 MINIMUM STANDARD DETAIL REQUIREMENTS FOR ALTA/ACSM LAND TITLE SURVEYS, JOINTLY ESTABLISHED AND ADOPTED BY ALTA AND NSPS, AND INCLUDES ITEMS 1, 2, 3, 4, 6(b), 7(a), 7(b)(1), 7(c), 8, 9, 11(A), 13, 16, 17, 18, 19, AND 20(b) OF TABLE A THEREOF.

THE FIELD WORK WAS COMPLETED ON JULY, 13, 2015

DATE OF PLAT OR MAP: JANUARY 14, 2016



THIS SURVEY IS COPYRIGHT 2015 BY CRICHTON AND ASSOCIATES, P.C., AND IS BEING PROVIDED SOLELY FOR THE USE OF THE CURRENT PARTIES AND NO LICENSE HAS BEEN CREATED, EXPRESS OR IMPLIED, TO COPY THE SURVEY EXCEPT AS IS NECESSARY IN CONJUNCTION WITH THIS TRANSACTION ONLY.

CRICHTON AND ASSOCIATES LAND SURVEYORS

LONE STAR LOFTS
2408 LEON STREET

DATE: JULY 17, 2015	JOB NO. 98_155
SCALE: 1" = 20'	DWG NO. 98_155

13

13 pgs 2020000745

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

UNIFIED DEVELOPMENT RESTRICTIVE COVENANT

This Unified Development Restrictive Covenant for **1200 W 25th,** (the "Restrictive Covenant"), is executed this 5th of December, 2019, by **2501 N Lamar LLC,** a Texas limited liability company ("Declarant") and is as follows:

RECITALS

A. Declarant is the owner of land, more particularly described as Lot 1, Block 4, Robard's Subdivision of Outlots 43, 44, 45, 54 and 55, Division D, a subdivision of Travis County, Texas, according to the map or plat thereof, recorded in Volume 1, Page 12 of the Plat Records of Travis County, Texas, save and except the portion conveyed to the City of Austin by deed recorded in Volume 448, pages 85 and 86 in the Travis County Deed Records ("Tract One"), Lot 2 , Block 4, Robard's Subdivision of Outlots 43, 44, 45, 54 and 55, Division D, a subdivision of Travis County, Texas, according to the map or plat thereof, recorded in Volume 1, Page 12 of the Plat Records of Travis County, Texas, save and except the portion conveyed to the City of Austin by deed recorded in Volume 448, pages 85 and 86 in the Travis County Deed Records ("Tract Two"), Lot 3, Block 4, Robard's Subdivision of Outlots 43, 44, 45, 54 and 55, Division D, a subdivision of Travis County, Texas, according to the map or plat thereof, recorded in Volume 1, Page 12 of the Plat Records of Travis County, Texas, save and except the portion conveyed to the City of Austin by deed recorded in Volume 448, pages 85 and 86 in the Travis County Deed Records ("Tract Three"), Lot 4, Block 4, Robard's Subdivision of Outlots 43, 44, 45, 54 and 55, Division D, a subdivision of Travis County, Texas, according to the map or plat thereof, recorded in Volume 1, Page 12 of the Plat Records of Travis County, Texas, save and except the portion conveyed to the City of Austin by deed recorded in Volume 448, pages 85 and 86 in the Travis County Deed Records ("Tract Four"), Lot 5, Block 4, Robard's Subdivision of Outlots 43, 44, 45, 54 and 55, Division D, a subdivision of Travis County, Texas, according to the map or plat thereof, recorded in Volume 1, Page 12 of the Plat Records of Travis County, Texas, save and except the portion conveyed to the City of Austin by deed recorded in Volume 448, pages 85 and 86 in the Travis County Deed Records ("Tract Five"). Tract One, Tract Two, Tract Three, Tract Four, and Tract Five are herein referenced collectively as the "Property" or individually as a "Tract".

B. Definitions:

Owners. The term "Owner" means, individually, and the term "Owners" means, collectively, Declarant and all future owners of the fee interest or any portion of the Property (whether such fee interest is obtained through a purchase from Declarant or through a purchase at a foreclosure sale or trustee's sale or through a deed in lieu of foreclosure) and their successors and assigns.

C. Declarant has agreed to impose upon the Property these covenants and conditions for the benefit of the Property.

NOW, THEREFORE, Declarant declare that the Property is subject to the following covenants, conditions and restrictions, which run with the Property and bind all parties having right, title, or interest in or to such portion of the Property or any part, their respective heirs, successors, and assigns, and which inure to the benefit of each Owner. Each contract, deed or conveyance of any kind conveying all or a portion of the Property will conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions and restrictions, regardless of whether or not they are set out in full or by reference in said contract, deed or conveyance.

SPECIFIC AGREEMENTS AND RESTRICTIONS:

1. Recitals Incorporated. The above Recitals and all terms defined therein are incorporated into this Restrictive Covenant for all purposes.

2. Unified Development. For purposes of site plan review, modification, or approval by the City of Austin, the Property will be constructed as a unified development/single site. Any proposed modifications to the Property or any portion of any Tract will be construed as a modification to a single site, requiring review of the Property in accordance with the provisions of the Land Development Code of the City of Austin. This section applies to, but is not limited to, the extent of impervious coverage, parking, and landscaping of the Property.

3. Joint Access. Joint access must be provided between each Tract on Site Plan No. **SP-2019-0052C**, over an area more particularly described in **EXHIBIT A,** attached and incorporated by reference. The joint access must allow pedestrian and/or vehicular traffic to move freely to the adjacent public right-of-way or between the Property, or both. Any change of any aspect of the Property may not interfere with this joint access. Each Owner shall be responsible and liable for maintaining the Owner's property contained within the access area described in **EXHIBIT A** in such a manner as to provide the required joint access.

4. Parking. All parking for developments within Site Plan No. **SP-2019-0052C** must be reciprocal. In this Restrictive Covenant, "reciprocal parking" means that

the parking within Site Plan No. **SP-2019-0052C** must serve the Property. Any change of any aspect of the Property may not interfere with the reciprocal parking agreement between the Tracts. Each Owner shall be responsible and liable for maintaining the Owner's property to allow the required reciprocal parking.

5. Breach Does Not Permit Termination. Notwithstanding anything to the contrary contained herein, no breach of this Restrictive Covenant entitles the Owners to cancel, rescind or otherwise terminate this Restrictive Covenant, but such limitations do not affect in any manner any other rights or remedies which the Owners may have hereunder by reason of any breach of this Restrictive Covenant.

6. Excusable Delays. Whenever performance is required of the Owners, the Owners shall use all due diligence to perform and take all reasonable and necessary measures in good faith to perform within a reasonable time; provided, however, that if completion of performance is delayed at any time by reasons of acts of God, war, civil commotion, riots, strikes, picketing, or other labor disputes, unavailability of labor or material, damage to work in progress by reason of fire or other casualty, or any other cause beyond the reasonable control of the Owner (financial inability, imprudent management or negligence excepted), then the time for performance as herein specified will be extended by the amount of delay actually so caused.

7. General Provisions.

A Inurement. This Restrictive Covenant and the restrictions created hereby inure to the benefit of and bind Owners, and their successors and assigns. When an Owner conveys all or any portion of the Property, that former Owner will thereupon be released and discharged from any and all further obligations, if any, under this Restrictive Covenant that it had in connection with the Property conveyed by it from and after the date of recording of such conveyance, but no such sale releases that former Owner from any liabilities, if any, actual or contingent, existing as of the time of such conveyance.

B. Duration. Unless modified, amended, or terminated in accordance with Paragraph 7. K., this Restrictive Covenant remains in effect in perpetuity.

C. Non-Merger. This Restrictive Covenant will not be subject to the doctrine of merger, even though the underlying fee ownership of the Property, or any parts thereof, is vested in one party or entity.

D. Severability. The provisions of this Restrictive Covenant must be deemed to be independent and severable, and the invalidity or partial invalidity of any provision or portion hereof does not affect the validity or enforceability of any other provision.

E. Entire Agreement This Restrictive Covenant, and the exhibits attached hereto contain all the representations and the entire agreement between the parties to this Restrictive Covenant with respect to the subject matter hereof. Any prior correspondence, memoranda or agreements are superseded in total by this Restrictive Covenant and the exhibits attached hereto. The provisions of this Restrictive Covenant will be construed as a whole according to their common meaning and not strictly for or against any Owner.

F. Captions. The captions preceding the text of each section and subsection hereof are included only for convenience of reference and will be disregarded in the construction and interpretation of this Restrictive Covenant.

G. Governing Law; Place of Performance. This Restrictive Covenant and all rights and obligations created hereby will be governed by the laws of the State of Texas. This Restrictive Covenant is performable only in the county in Texas where the Property is located.

H. Notices. Any Notice to the Owners or the City must be in writing and given by delivering the same to such party in person, by expedited, private carrier services (such as Federal Express) or by sending the same by certified mail, return receipt requested, with postage prepaid to the intended recipient's last known mailing address. All notices under this Restrictive Covenant will be deemed given, received, made or communicated on the date personal delivery is effected or, if mailed, on the delivery date or attempted delivery date shown on the return receipt.

I. Negation of Partnership. None of the terms or provisions of this Restrictive Covenant will be deemed to create a partnership between or among the Declarant, any Owner, or the City of Austin in their respective businesses or otherwise; nor will it cause them to be considered joint ventures or members of any joint enterprise.

J. Enforcement. If any person, persons, corporation, or entity of any other character, violates or attempts to violate this Restrictive Covenant, it will be lawful for the City of Austin, its successors and assigns, to prosecute proceedings at law, or in equity, against the person or entity violating or attempting to violate these Restrictive Covenant and to prevent said person or entity from violating or attempting to violate such covenant. The failure at any time to enforce this Restrictive Covenant by the City of Austin, its successors and assigns, whether any violations hereof are known or not, does not constitute a waiver or estoppel of the right to do so.

K. Modification and Amendment. This Restrictive Covenant may only be modified, amended or terminated upon the filing of a written modification, amendment or termination document in the real property records of the Texas county in which the Property is located, executed, acknowledged and approved by (a) the Director of the Development Services Department of the City of Austin or successor department; (b) all of the Owners of the Property at the time of the modification, amendment, or termination, and (c) any mortgagees holding first lien security interests on any portion of the Property.

(Remainder of page intentionally left blank)

Executed to be effective on December 5, 2019.

DECLARANT:
2501 N Lamar LLC, a Texas limited liability company

By: **Pearlstone Management I, LLC**, a Texas limited liability company, its Manager

By: _____
Name: Robert N. Lee
Title: Manager

STATE OF TEXAS §
COUNTY OF TRAVIS §

Before me, the undersigned notary, on this day personally appeared Robert N. Lee, Manager of **Pearlstone Management I, LLC**, a Texas limited liability company as Manager of **2501 N Lamar LLC**, a Texas limited liability company, known to me through valid identification to be the person whose name is subscribed to the preceding instrument and acknowledged to me that the person executed the instrument in the person's official capacity for the purposes and consideration expressed in the instrument.

SUSAN D HILL
Notary Public, State of Texas
Comm Expires 02-14-2022
Notary ID 243579

_____
Notary Public, State of Texas

APPROVED AS TO FORM:
CITY OF AUSTIN, TEXAS
LAW DEPARTMENT

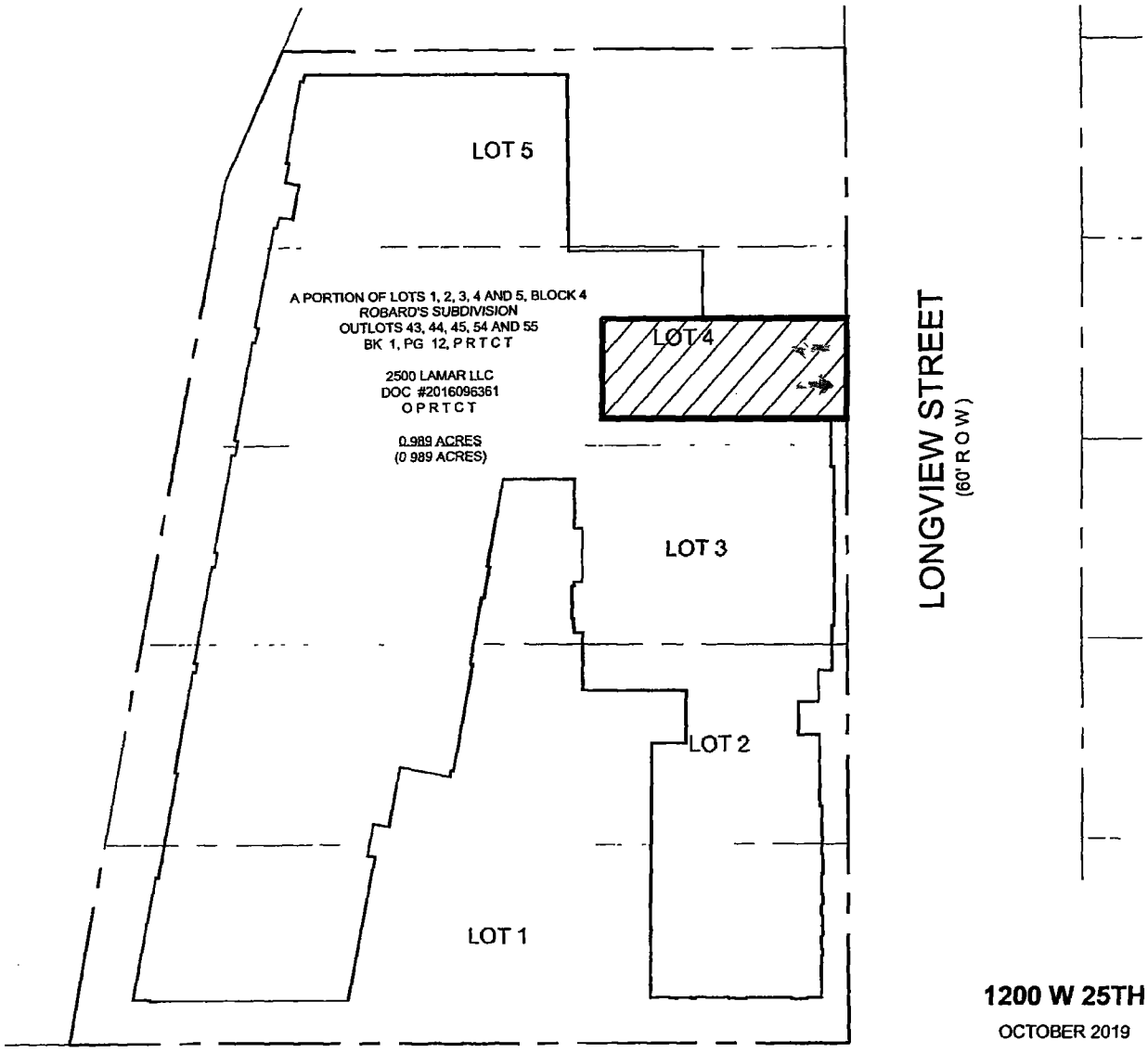
By. _____
Name: _____
Title: Assistant City Attorney

REVIEWED:
CITY OF AUSTIN, TEXAS
DEVELOPMENT SERVICES DEPARTMENT

By: _____
Name: Rosemary Avila
Title: Case Manager | Senior Planner

EXHIBIT "A"

LEVEL 01 (GROUND LEVEL PARKING)



1200 W 25TH

OCTOBER 2019

WG PROJECT NO 0137-005

WUEST GROUP

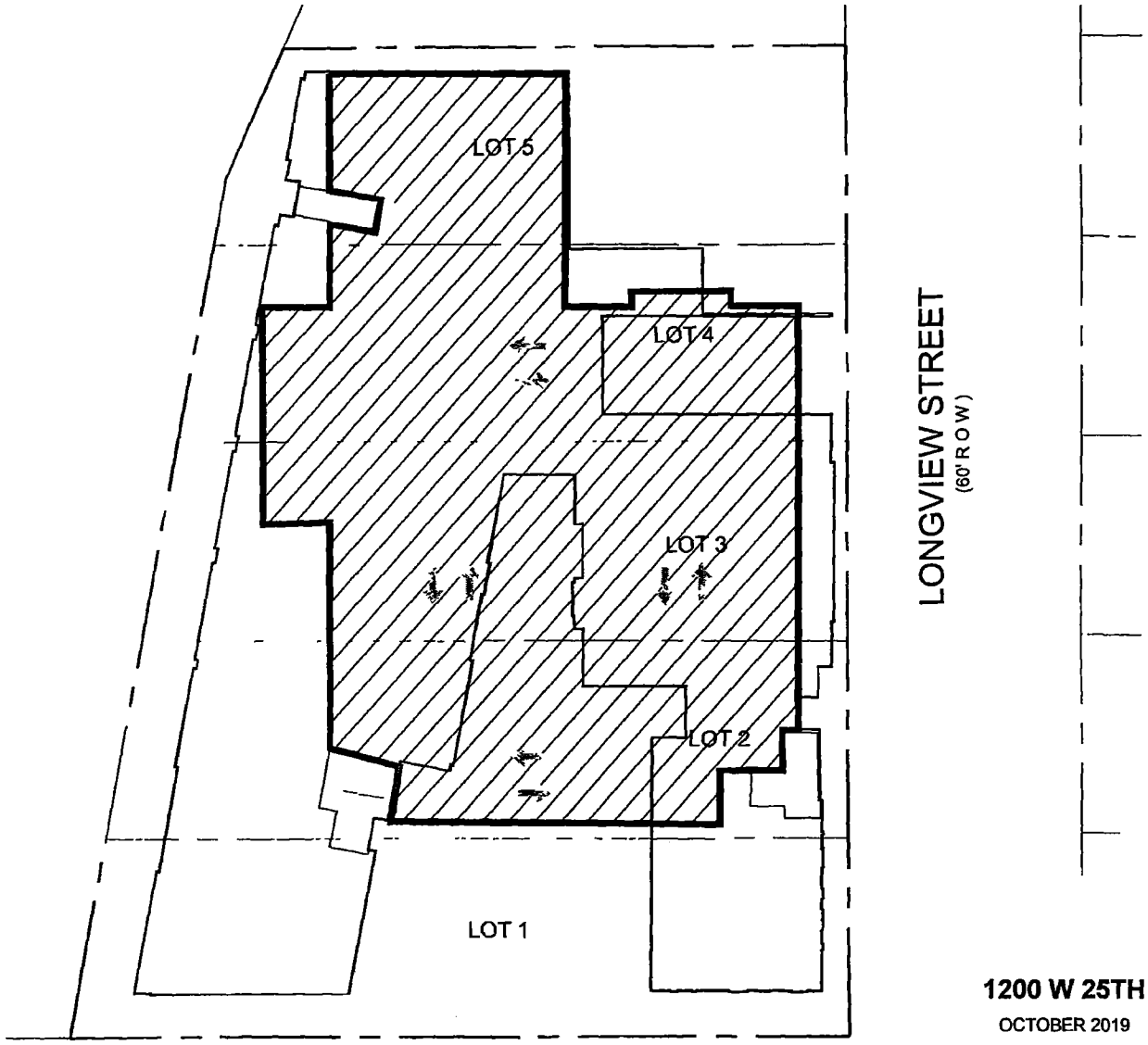
ENGINEERING & SURVEYING

FIRM # F-15324
2007 S 1ST STREET, SUITE 103
AUSTIN, TEXAS 78704
(512)394-1900

SHEET 1 OF 4

EXHIBIT "A"

LOWER LEVEL 01 PARKING



1200 W 25TH

OCTOBER 2019

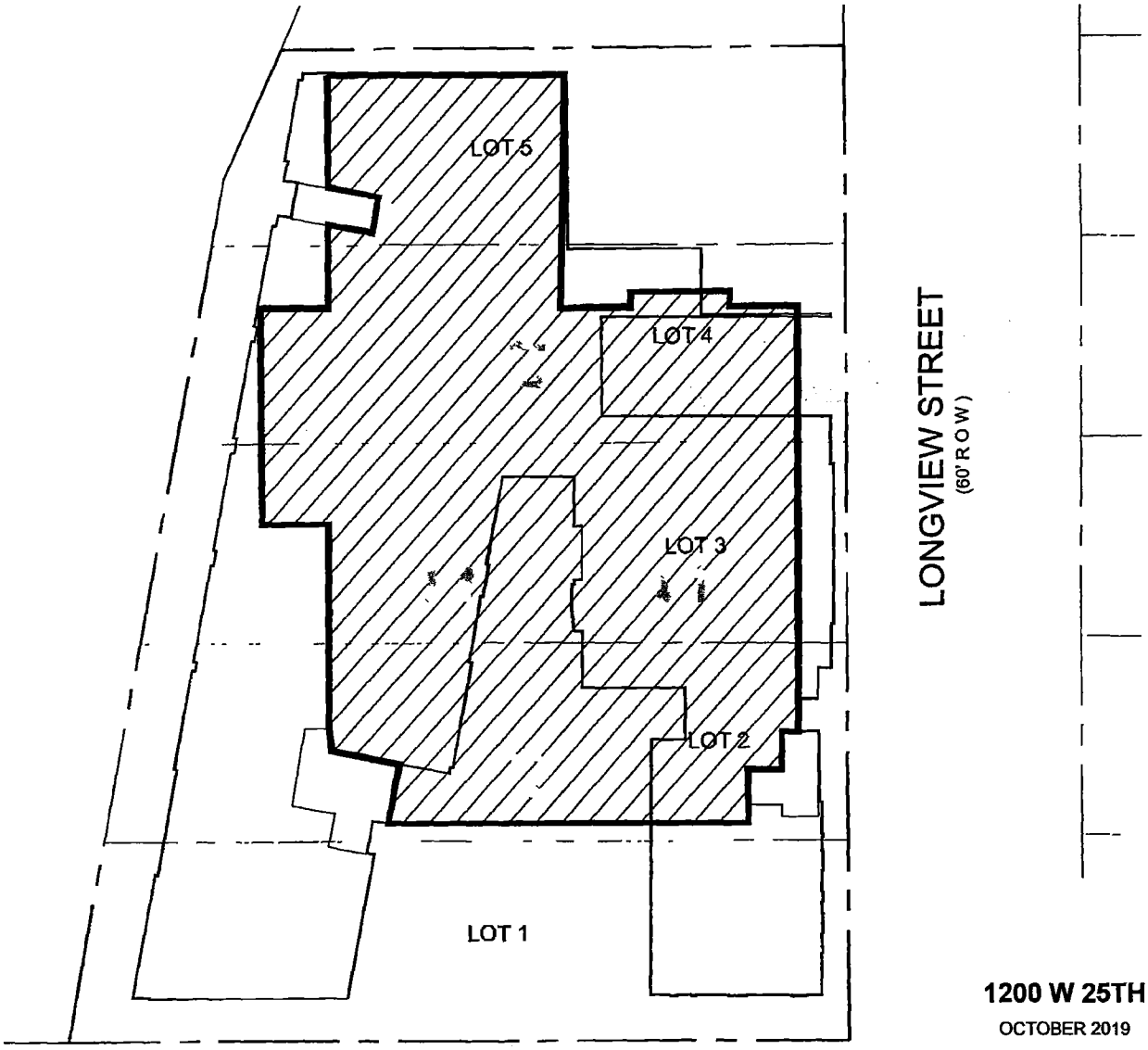
WG PROJECT NO 0137-005

WUEST GROUP
ENGINEERING & SURVEYING
FIRM # F-15324
2007 S 1ST STREET SUITE 103
AUSTIN, TEXAS 78704
(512)394-1900

SHEET 2 OF 4

EXHIBIT "A"

LOWER LEVEL 02 PARKING



1200 W 25TH

OCTOBER 2019

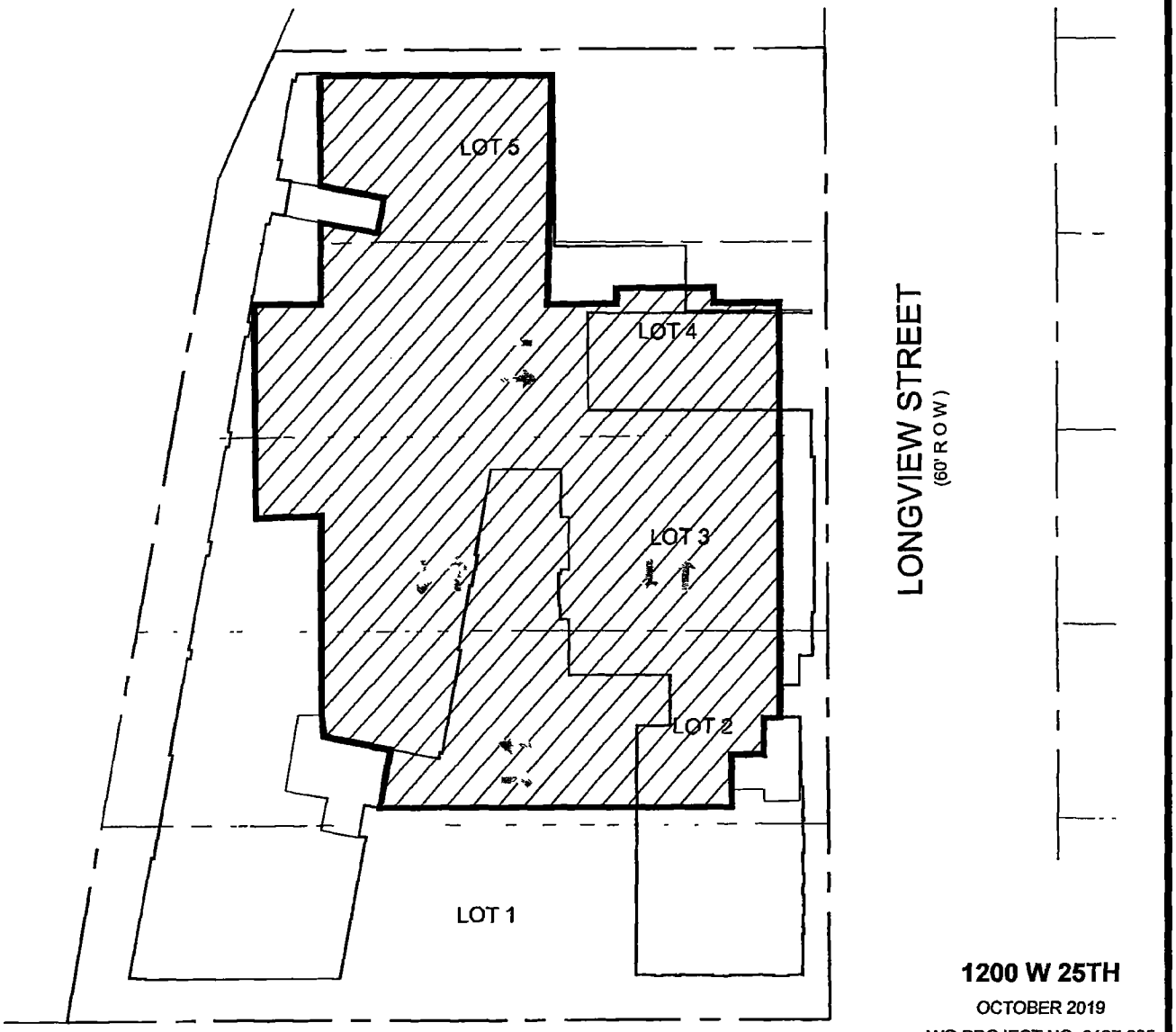
WG PROJECT NO 0137-005

WUEST GROUP
ENGINEERING & SURVEYING
FIRM # F-15324
2007 S 1ST STREET, SUITE 103
AUSTIN, TEXAS 78704
(512)394-1900

SHEET 3 OF 4

EXHIBIT "A"

LOWER LEVEL 03 PARKING



1200 W 25TH

OCTOBER 2019

WG PROJECT NO 0137-005

WUEST GROUP
ENGINEERING & SURVEYING
FIRM # F-15324
2007 S 1ST STREET, SUITE 103
AUSTIN, TEXAS 78704
(512)394-1900

SHEET 4 OF 4

AFFIDAVIT AS TO DEBTS, LIENS, AND OCCUPANCIES
[OWNERSHIP TYPE - ENTITY]

Date:	December 5, 2019
Affiant:	Robert N. Lee
Affiant Title:	Manager of **2501 N Lamar LLC,** a Texas limited liability company
Owner:	The person or entity in the Grant Document that is the holder of title to the Property.
Grant Document:	The document to which this Affidavit as to Debts, Liens, and Occupancies is attached and referred to.
Property:	The property identified in the Grant Document that is the subject of the Grant Document.

Affiant on oath swears or affirms that the following statements are true and are within the personal knowledge of Affiant:

My name is set forth above as Affiant. In my capacity listed above as Affiant Title, I am authorized by the Owner to make this affidavit. I am above the age of eighteen years, have never been convicted of a felony or a crime of moral turpitude, am of sound mind and am fully qualified to make this affidavit. I have personal knowledge of the facts contained in this affidavit in my capacity with the Owner that holds title to the Property, I have recently reviewed the Owner's records of ownership concerning the Property, and on the basis of this personal knowledge, after diligent inquiry, as of the date of this affidavit, I attest that·

1. Owner holds title to the Property;

2. there is no lien not subordinated to the Grant Document held by any person, including any bank or similar financial institution, against the Property;

3. there is no lease not subordinated to the Grant Document entered into with any person with respect to the Property;

4. all labor, services, and materials (the **"Labor and Materials"**) provided to the Property for improvements, fixtures, and furnishings, or otherwise, at the instance and request of Owner, have been paid in full and no liens with respect to the Labor and Materials have been filed or exist with respect to the Property;

5 there are no actions, proceedings, judgments, bankruptcies, liens not subordinated to the Grant Document, or executions filed or pending against the Owner that would affect the Property; and

6. the Owner is not a debtor in bankruptcy.

Executed effective the Date first above stated.

2501 N Lamar LLC, a Texas limited liability company

By: **Pearlstone Management I, LLC**, a Texas limited liability company, its Manager

By: _____
Name: Robert N. Lee
Title: Manager

STATE OF TEXAS §
COUNTY OF TRAVIS §

Before me, the undersigned notary, on this day personally appeared Robert N. Lee, Manager of **Pearlstone Management I, LLC,** a Texas limited liability company as Manager of **2501 N Lamar LLC**, a Texas limited liability company, known to me through valid identification to be the person whose name is subscribed to the preceding instrument and acknowledged to me that the person executed the instrument in the person's official capacity for the purposes and consideration expressed in the instrument.

Given under my hand and seal of office on December 5 2019.

SUSAN D HILL
Notary Public, State of Texas
Comm Expires 02-14-2022
Notary ID 243579

_____
Notary Public, State of Texas

AFTER RECORDING, RETURN TO:

City of Austin
Development Services Department
P.O. Box 1088
Austin, Texas 78767

Project Name: **1200 W 25th**
Attn: Rosemary Avila
Case No. **SP-2019-0052C**

Recorders Memorandum-At the time of recordation this instrument was found to be inadequate for the best reproduction, because of illegibility carbon or photocopy discolored paper, etc All blockouts, additions and changes were present at the time the instrument was filed and recorded

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

Dana DeBeauvoir, County Clerk
Travis County, Texas

2020000745

Jan 03, 2020 08:13 AM
Fee: $74.00 **TOMSR**

8

[redacted]

8 pgs 2020173843

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS 03-496233 SF IMP

A NAME & PHONE OF CONTACT AT FILER (optional)

B E-MAIL CONTACT AT FILER (optional)

C SEND ACKNOWLEDGMENT TO (Name and Address)

KHRE SMA FUNDING, LLC
c/o Knighthead Funding, LLC
777 West Putnam Avenue, Suite 1-3
Greenwich, CT 06830

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1 DEBTOR'S NAME Provide only one Debtor name (1a or 1b) (use exact, full name, do not omit, modify, or abbreviate any part of the Debtor's name), if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a ORGANIZATION'S NAME
2501 N LAMAR LLC

OR

1b INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

1c MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
c/o Pearlstone Partners, 2906 Medical Arts Street	**Austin**	**TX**	**78705**	**USA**

2 DEBTOR'S NAME Provide only one Debtor name (2a or 2b) (use exact, full name, do not omit, modify, or abbreviate any part of the Debtor's name), if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a ORGANIZATION'S NAME

OR

2b INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

2c MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

3 SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY) Provide only one Secured Party name (3a or 3b)

3a ORGANIZATION'S NAME
KHRE SMA FUNDING, LLC

OR

3b INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

3c MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
777 West Putnam Avenue, Suite 1-3	**Greenwich**	**CT**	**06830**	**USA**

4 COLLATERAL This financing statement covers the following collateral

See attached Exhibit A attached hereto and made a part hereof.

5 Check only if applicable and check only one box Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and Instructions) ☐ being administered by a Decedent's Personal Representative

6a Check only if applicable and check only one box

☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

6b Check only if applicable and check only one box

☐ Agricultural Lien ☐ Non-UCC Filing

7 ALTERNATIVE DESIGNATION (if applicable) ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licensor

8 OPTIONAL FILER REFERENCE DATA
55720-0017 - Travis County

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS

9 NAME OF FIRST DEBTOR Same as line 1a or 1b on Financing Statement, if line 1b was left blank because Individual Debtor name did not fit, check here ☐

9a ORGANIZATION'S NAME
2501 N LAMAR LLC

OR

9b INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10 DEBTOR'S NAME Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name, do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c

10a ORGANIZATION'S NAME

OR

10b INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

10c MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY

11 ☐ ADDITIONAL SECURED PARTY'S NAME or ☐ ASSIGNOR SECURED PARTY'S NAME Provide only one name (11a or 11b)

11a ORGANIZATION'S NAME

OR

11b INDIVIDUAL'S SURNAME | FIRST PERSONAL NAME | ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

11c MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY

12 ADDITIONAL SPACE FOR ITEM 4 (Collateral)

13 ☑ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable)

14 This FINANCING STATEMENT ☐ covers timber to be cut ☐ covers as-extracted collateral ☑ is filed as a fixture filing

15 Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest)

16 Description of real estate

[TO BE ADDED]

17 MISCELLANEOUS

SCHEDULE A

DEBTOR: **2501 N LAMAR LLC**

SECURED PARTY: **KHRE SMA FUNDING, LLC**

DESCRIPTION OF COLLATERAL:

All of Debtor's right, title and interest, now owned or hereafter acquired, in and to the following:

(a) Land. The real property described in Exhibit A attached hereto and made a part hereof (the "Land");

(b) Additional Land. All additional lands, estates and development rights hereafter acquired by Grantor for use in connection with the Land and the development of the Land and all additional lands and estates therein which may, from time to time, be expressly made subject to the lien of this Security Instrument;

(c) Improvements. The buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements owned by Grantor now or hereafter erected or located on the Land (collectively, the "Improvements");

(d) Easements. All easements, rights-of-way or use, rights, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, water courses, water rights and powers, air rights and development rights, and all estates, rights, titles, interests, privileges, liberties, servitudes, tenements, hereditaments and appurtenances of any nature whatsoever, in any way now or hereafter belonging, relating or pertaining to the Land and the Improvements (including, without limitation, in connection with the construction of the Improvements) and the reversion and reversions, and remainder and remainders thereof, and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Land, to the center line thereof and all the estates, rights, titles, interests, dower and rights of dower, curtesy and rights of curtesy, property, possession, claim and demand whatsoever, both at law and in equity, of Grantor of, in and to the Land and the Improvements and every part and parcel thereof, with the appurtenances thereto;

(e) Equipment. All "equipment," as such term is defined in Article 9 of the Uniform Commercial Code, as adopted and enacted by the State of Texas (the "Uniform Commercial Code"), now owned or hereafter acquired by Grantor, which is used at or in connection with the Improvements or the Land (including, without limitation, in connection with the construction of the Improvements) and is located thereon or therein (including, but not limited to, all machinery, equipment, furnishings, electronic data-processing and other office equipment, construction equipment, appliances, machinery, plant equipment, fittings, apparatuses, engines, devices for the operation of pumps, pipes, plumbing, cleaning, call and sprinkler systems, fire extinguishing apparatuses and equipment, heating, ventilating, plumbing, laundry, incinerating, electrical, air conditioning and air cooling equipment and systems, gas and electric machinery, appurtenances and equipment, pollution control equipment, security systems, disposals, dishwashers, refrigerators and ranges, recreational equipment and facilities of all

kinds, and water, gas, electrical, storm and sanitary sewer facilities, utility lines and equipment (whether owned individually or jointly with others, and, if owned jointly, to the extent of Grantor's interest therein) and all other utilities whether or not situated in easements, all water tanks, water supply, water power sites, fuel stations, fuel tanks, fuel supply, and all other structures, together with all accessions, appurtenances, additions, replacements, betterments and substitutions for any of the foregoing and the proceeds thereof), together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto (collectively, the "Equipment"). Notwithstanding the foregoing, Equipment shall not include any property belonging to Tenants under Leases (as hereinafter defined) except to the extent that Grantor shall have any right or interest therein;

(f) Fixtures. All Equipment now owned, or the ownership of which is hereafter acquired, by Grantor which is so related to the Land and Improvements (including, without limitation, the construction of the Improvements) forming part of the Property that it is deemed fixtures or real property under the law of the particular state in which the Equipment is located, including, without limitation, all building or construction materials intended for construction, reconstruction, alteration or repair of or installation on the Property, appliances, machinery, plant equipment, fittings, apparatuses, fixtures and other items now or hereafter attached to, installed in or used in connection with (temporarily or permanently) any of the Improvements or the Land (collectively, the "Fixtures"). Notwithstanding the foregoing, "Fixtures" shall not include any property which Tenants are entitled to remove pursuant to Leases except to the extent that Grantor shall have any right or interest therein;

(g) Personal Property. All furniture, furnishings, objects of art, machinery, goods, tools, supplies, appliances, general intangibles, contract rights, accounts, accounts receivable, franchises, interest rate hedging agreements, and, to the extent assignable: (i) licenses, (ii) certificates and (iii) permits, and all other personal property of any kind or character whatsoever (as defined in and subject to the provisions of the Uniform Commercial Code), whether tangible or intangible, other than Fixtures, which are now or hereafter owned by Grantor and which are located within or about the Land and the Improvements, together with all accessories, replacements and substitutions thereto or therefor and the proceeds thereof (collectively, the "Personal Property"), and the right, title and interest of Grantor in and to any of the Personal Property which may be subject to any security interests, as defined in the Uniform Commercial Code, superior in priority to the lien of this Security Instrument and all proceeds and products of any of the above;

(h) Leases and Rents. All leases, subleases and other rental agreements affecting the construction, development, use, enjoyment or occupancy of the Land and/or the Improvements heretofore or hereafter entered into and all extensions, amendments and modifications thereto, whether before or after the filing by or against Grantor of any petition for relief under 11 U.S.C. §101 et seq., as the same may be amended from time to time (the "Bankruptcy Code") (individually, a "Lease", collectively, the "Leases") and all income, rents and all other "Rents" (as such term is defined in the Act) and right, title and interest of Grantor, its successors and assigns in and under the Leases, including, without limitation, any guaranties of the lessees' obligations thereunder, cash or securities deposited under the Leases to secure the performance by the lessees of their obligations under the Leases and all rents, additional rents, early termination fees and payments and other termination fees and payments, revenues, issues

and profits (including, without limitation, and all cash or securities deposited to secure the performance by the lessees of their obligations under the Leases and including all oil and gas or other mineral royalties and bonuses) from the Land and the Improvements whether paid or accruing before or after the filing by or against Grantor of any petition for relief under the Bankruptcy Code (collectively, the "Rents") and all proceeds from the sale or other disposition of the Leases and the right to receive and apply the Rents to the payment of the Debt and the performance of all of the other Obligations due and owing by Grantor to Lender pursuant to the terms of the Loan Documents;

(i) Condemnation Awards. All awards or payments, including interest thereon, which may heretofore and hereafter be made with respect to the Property, whether from the exercise of the right of eminent domain (including but not limited to any transfer made in lieu of or in anticipation of the exercise of such right), or for a change of grade, or for any other injury to or decrease in the value of the Property;

(j) Insurance Proceeds. All proceeds in respect of the Property under any insurance policies covering the Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, as provided in the Loan Agreement;

(k) Tax Certiorari. Grantor's interest in all refunds, rebates or credits in connection with any reduction in real estate taxes and assessments charged against the Property as a result of tax certiorari proceedings or any other applications or proceedings for reduction of taxes or assessments charged against the Property, in each case, irrespective of the time period to which they relate;

(l) Rights. The right, in the name and on behalf of Grantor, to appear in and defend any action or proceeding brought with respect to the Property and to commence any action or proceeding to protect the interest of Lender in the Property;

(m) Agreements. Grantor's right, title, and interest in and to all agreements, contracts, certificates, instruments, franchises, franchise agreements, permits, licenses, and, to the extent lawfully assignable, all licenses, permits, approvals and consents, authorities, plans, specifications and other property agreements, now or hereafter entered into, and all rights therein and thereto, respecting or pertaining to the construction, development, use, occupation, construction, management or operation of the Improvements and/or the Land and any part thereof, respecting any business or activity conducted in the Improvements and/or on the Land and any part thereof and all right, title and interest of Grantor therein and thereunder, including, without limitation, the right, upon the happening of any default hereunder, to receive and collect any sums payable to Grantor thereunder;

(n) Trademarks. To the extent assignable, all tradenames, trademarks, servicemarks, logos, copyrights, goodwill, books and records and all other general intangibles relating to or used in connection with the operation of the Property;

(o) Accounts/Intangibles. Grantor's right, title, and interest in and to all accounts receivable, escrows (including, without limitation, all escrows, deposits, reserves and

impounds established pursuant to the Loan Agreement and the Loan Documents), documents, instruments, chattel paper, claims, reserves (including deposits) representations, warranties and general intangibles, as one or more of the foregoing terms may be defined in the Uniform Commercial Code, and all contract rights, franchises, books, records, plans, specifications, permits, licenses (to the extent assignable), approvals, actions, choses, claims, suits, proofs of claims in bankruptcy and causes of action which now or hereafter relate to, are derived from or are used in connection with the Property, including, without limitation, all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of the sale, lease, sublease, license, concession or other grant of the right of the use and occupancy of the Property and proceeds, if any, from business interruption or other loss of income insurance, or arising from the sale of any Property or the rendition of services in the ordinary course of business or otherwise (whether or not earned by performance), and all other deposits or wire transfers made to such accounts and all cash, checks, drafts, certificates, securities, investment property, financial assets, instruments and other property held therein from time to time and all proceeds, products, distributions, dividends and/or substitutions thereon and thereof, and relating to the construction, development, use or occupancy of the Property (collectively called the "Intangibles");

(p) Uniform Commercial Code Property. All documents, instruments, chattel paper, intangibles and general intangibles, as the foregoing terms are defined in the Uniform Commercial Code, relating to the Property;

(q) Proceeds. All proceeds of any of the foregoing, including, without limitation, proceeds of insurance and condemnation awards, whether in cash, or in liquidation or other claims or otherwise; and

(r) Condominium Documents. From and after such time as any portion of the Property is converted to condominium ownership, any master deed, declaration, by-laws, and other documents relating to the creation and maintenance of such condominium, including all rights of Grantor as "declarant" or "developer" themselves.

(s) Other Rights. Any and all other rights of Grantor in and to the items set forth in Subsections (a) through (r) above.

All capitalized terms not otherwise defined herein shall have their respective meanings ascribed to such terms in that certain Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing, dated as of September 30, 2019 from Debtor, as mortgagor, to Secured Party, as mortgagee.

EXHIBIT A
LEGAL DESCRIPTION

FIELD NOTE DESCRIPTION OF 0.989 ACRE OF LAND, BEING PORTIONS OF LOTS 1, 2, 3 4, AND 5, BLOCK 4, ROBARD'S SUBDIVISION OF OUTLOTS 43, 44, 45, 54 AND 55, DIVISION D, A SUBDIVISION IN TRAVIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 1 PAGE 12 OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS, AND BEING ALL OF THAT CERTAIN TRACT OF LAND AS CONVEYED TO LITTLEFIELD CORPORATION BY SPECIAL WARRANTY DEED RECORDED IN DOCUMENT No. 2001106999 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a capped iron rod found (marked "D. Seelig") at the point of intersection of the North right-of-way line of West 25th Street and the West right-of-way line of Longview Street for the Southeast corner of Lot 1, Block 4, Robard's Subdivision of Outlots 43, 44, 45, 54 and 55, Division D, a subdivision in Travis Country, Texas, according to the map or plat thereof recorded in Volume 1 Page 12 of the Plat Records of Travis County, Texas, and being the Southeast corner of that certain tract of land as conveyed to Littlefield Corporation by Special Warranty Deed recorded in Document No. 2001106999 of the Official Public Records of Travis County, Texas, and being the Southeast corner and PLACE OF BEGINNING of the herein described tract of land;

THENCE with the North right-of-way line of West 25th Street and with the South line of said Lot 11 N 83 deg. 58' 13" W 196.50 ft. to a 1/2" iron rod set with a plastic cap imprinted with "Holt Carson, Inc." for the Southwestern corner of said Littlefield Corporation tract and for the Southeast corner of that certain tract of land as conveyed to the City of Austin by deed recorded in Volume 448 Page 86 of the Deed Records of Travis County, Texas, same being the Southwest corner of this tract;

THENCE leaving the North right-of-way line of West 25th Street and crossing the interiors of Lots 1, 2, 3, 4 and 5 in said Block 4 of Robard's Subdivision, and with the common line of said Littlefield Corporation tract and said City of Austin tract, the following two courses:

1. N 16 deg. 29' 23" E 220.19 ft. to a capped iron rod found (marked "D.Seelig");

2. N 29 deg. 56' 14" E 36.09 ft. to round head bolt found in the common line of Lot and Lot 6 in said Block 4 of Robard's Subdivision, for the Northwest corner of said Littlefield Corporation tract and for the Southwest corner of that certain (0.6662 acre) tract of land as conveyed to Baustin Nob Hill, Ltd. by Warranty Deed recorded in Volume 13117 Page 1962 of the Real Property Records of Travis County, Texas, and being the Northwest corner of this tract; 0.989 Acre tract

THENCE with the common line of said Lot 5 and Lot 6 and with the common line of said Littlefield Corporation tract and said Baustin Nob Hill (0.6662 acre) tract, S 84 deg. 10' 28" E 141.04 ft. to a 1/2" iron rod found in the West right-of-way line of Longview Street for the Northeast corner of said Lot 5 and the Southeast corner of said Lot 6 and for the Northeast corner of said Littlefield Corporation tract and for the Southeast corner of said Baustin Nob Hill (0.6662 area) tract, same being the Northeast corner of this tract;

THENCE with the West right-of-way line of Longview Street and with the East line of said Littlefield Corporation tract, S 05 deg. 50' 00" W 250.03 ft. to the PLACE OF BEGINNING, containing 0 989 acre of land.

RETURN

(Fed Exp)
STEWART TITLE OF AUSTIN LLC
ATTN SHAWNA FLETCHER
901 S MOPAC BLDG III
AUSTIN, TX 78746

Recorders Memorandum-At the time of recordation this instrument was found to be inadequate for the best reproduction, because of illegibility, carbon or photocopy, discolored paper, etc All blockouts additions and changes were present at the time the instrument was filed and recorded

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Dana DeBeauvoir
Dana DeBeauvoir, County Clerk
Travis County, Texas

2020173843
Sep 21, 2020 02:08 PM
Fee: $51.00 RENTERIAKI

55720/0017-21129814v2

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Dana DeBeauvoir, County Clerk
Travis County, Texas
Dec 27, 2021 08:25 AM Fee: $638.00
2021279580
Electronically Recorded

AFTER RECORDING RETURN TO:

ROBERT D. BURTON, ESQ.
WINSTEAD PC
401 CONGRESS AVE., SUITE 2100
AUSTIN, TEXAS 78701

DECLARATION OF CONDOMINIUM REGIME FOR CASCADE CONDOMINIUMS

(A Condominium Community in Travis County, Texas)

Declarant: **2501 N. LAMAR, LLC**, a Texas limited liability company

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DECLARATION OF CONDOMINIUM REGIME FOR CASCADE CONDOMINIUMS

2501 N, LAMAR, LLC, a Texas limited liability company ("**Declarant**"), is the owner of a certain tract or parcel of land in Travis 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 "**Land**"). The Land is hereby submitted to the terms and provisions of the Texas Condominium Act, Chapter 82 of the Texas Property Code, for the purpose of creating Cascade Condominiums.

NOW, THEREFORE, it is hereby declared that the Land 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 Land, 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. "**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.

1.3. "**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.

1.4. "**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, Individual Assessments and Deficiency Assessments as described in *Article 5* of this Declaration.

1.5. **"Association"** means Cascade Condominium Community, Inc., a Texas non-profit 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.

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

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

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

1.9. **"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.

1.10. **"City"** means the City of Austin, Texas, a Texas home-rule city and municipal corporation.

1.11. **"Commercial Unit"** means a Unit designated on the Plat and Plans or by Declarant in a separate written Recorded instrument as a Commercial Unit.

1.12. **"Common Element"** means all portions of the Property, **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.

1.13. **"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.

1.14. **"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.

1.15. **"Declarant"** means **2501 N. LAMAR, LLC**, a Texas 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.

1.16. **"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 shall expire upon and shall not exceed the date that is the earlier to occur of (i) one hundred and twenty (120) days after title to seventy-five percent (75%) of the maximum Units that may be created hereunder have been conveyed to Owners other than Declarant; or (ii) five (5) years after the date this Declaration is Recorded.

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

1.18. **"Development Period"** means the five (5) 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.

1.19. **"Documents"** mean, individually or collectively as the case may be, this Declaration, the Plat and Plans, 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 Cascade Condominiums, you agree to comply with the terms and provisions of the Documents, as amended or modified.

1.20. **"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.

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

1.22. **"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.

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

1.24. **"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.

1.25. **"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.

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

1.27. **"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.

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

1.29. **"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.

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

1.31. **"Property"** means that certain tract or parcel of land in Travis 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, and includes every Unit and Common Element thereon.

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

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

1.34. **"Residential Unit"** means every Unit other than Units designated by Declarant as a Commercial Unit.

1.35. **"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.

1.36. **"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) one year after the date of the conveyance of such Residential Unit to the Owner by Declarant and (ii) the date the last of the Residential Units with the same number of bedrooms as such Residential Unit (e.g., one bedroom or two bedroom Residential Units) is conveyed to an Owner by Declarant.

1.37. **"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.

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

1.39. **"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.

1.40. **"Telecommunications 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 and Common Elements that

Declarant and its successors, assigns, and Permittees need to access in order to utilize the Telecommunications Easement, as more specifically set forth in *Section 3.12* hereof.

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

1.42. **"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.

1.43. **"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 and the Commercial Unit.

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.

2.2. **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. **Recorded Easements and Licenses**. In addition to the easements and restrictions contained in this Declaration, the Property is subject to all easements, licenses, leases, and encumbrances of record, 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 prior-recorded easements, licenses, leases, and encumbrances. Each Owner further agrees to maintain any easement that crosses the Owner's Unit and for which the Association does not have express responsibility.

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

2.4.1. 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.

2.4.2. 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.

2.5. **Provisions Relating to Restricted Resale Units.**

2.5.1. Compliance with Affordable Housing Requirements. The Declarant is required by the Vertical Mixed Use zoning approved for the Property in City Ordinance No. _____ and must meet the requirements of City of Austin's Land Development Code, 25-2 Subchapter E-4.3.3.F(1) to provide affordable housing and the Declarant shall restrict 5% percent of the ownership of Residential Units in the Regime as affordable for not less than 99 years from the date a certificate of occupancy is issued, for ownership and occupancy by households earning no more than 80% of the current Annual Median Family Income for the Austin-Round Rock Metropolitan Statistical Area as determined annually by the United States Department of Housing and Urban Development and Declarant shall restrict 5% percent of the ownership Residential Units in the Regime as affordable for not less than 99 years from the date a certificate of occupancy is issued, for ownership and occupancy by households earning no more than 100% of the current Annual Median Family Income for the Austin-Round Rock Metropolitan Statistical Area as determined annually by the United States Department of Housing and Urban Development. In the event the United States Department of Housing and Urban Development ceases publication of this information, the Annual Median Family Income for the Austin-Round Rock Metropolitan Statistical Area will be determined by the Neighborhood Housing and Community Development Department, or its successor, at the City.

2.5.2. Affordable Housing Units. The Non-Standard Units designated on Exhibit "D", attached hereto (each a "**Restricted Resale Unit**", collectively the "**Restricted Resale Units**") may from time to time be conveyed to Unit Owners subject to restrictions that, among other things, limit the resale price and the income of potential purchasers of the Restricted Resale Units (the "**Restrictions**"). The Restrictions may be set forth in the deeds conveying such Restricted Resale Units or in a separately recorded document. Such Restrictions run in favor of and are enforceable by the City, its successors and assigns. The Board and Association will observe the provisions of this *Section 2.5* after control and management is turned over by the Declarant. Prior to turnover of the Association to the Board or Association, the Declarant shall observe the provisions of this *Section 2.5*.

2.5.3. Right of First Refusal. To the extent that the Declaration now or hereafter shall contain any provision granting the Board or the Association the right of first refusal or other right to purchase any Unit (a "**ROFR**"), then the Board or the Association shall not exercise such ROFR against any Unit that is a Restricted Resale Unit, unless the City shall fail to enforce the Restrictions relating to resale of such Restricted Resale Unit. In the event of the failure by the City to enforce such Restrictions, the Board or the Association may exercise any otherwise-applicable ROFR, but in such purchase and any subsequent resale of the affected Restricted Resale Unit the Board and the Association shall observe the restrictions on sale price and income of potential purchasers expressed in the Restrictions. In the event the Board receives notice of the sale of a Restricted Resale Unit, the Board shall notify the Neighborhood Housing and Community Development Department at the City to confirm the Restrictions have been satisfied prior to issuing any documents for the closing of the sale.

2.5.4. Notice to City. Notwithstanding anything in this Declaration to the contrary, the City shall have all of the rights provided to a Mortgagee under this Declaration, including, without limitation, the right to (i) from time to time to examine current copies of the Declaration and other documents governing the administration of the Property, (ii) receive, upon request, any financial statements prepared by the Association for the Unit Owners and (iii) receive contemporaneous copies of all notices directed to the owner of any particular Restricted Resale Unit.

2.5.5. Assessments. The Restrictions provide, among other things, for the possible acquisition by the City of a Restricted Resale Unit in connection with the exercise of remedies by a Mortgagee (a "**Foreclosure**"). To the extent that in a Foreclosure a Mortgagee is entitled to acquire a Unit free and clear of the lien of assessments or other charges exists under this Declaration, the provisions of the next sentence shall apply. In the context of a Foreclosure, if the City shall exercise its rights under the Restrictions with respect to the subject Restricted Resale Unit, the City (and/or a buyer meeting the requirements of the Restrictions, as the case may be) shall acquire ownership of the Restricted Resale Unit free and clear of any lien for unpaid assessments

or other charges in favor of the Association in the same manner as would be applicable in a Foreclosure.

2.5.6. Modification. The provisions of this *Section 2.5* shall not be amended or eliminated without the prior written consent of the City, so long as the Restrictions shall remain in effect; provided however, upon the expiration or earlier termination of the Restrictions, the City shall promptly release and waive the provisions of this *Section 2.5*.

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 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 is 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:

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

(b) 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.

(c) To enforce the Documents.

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

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

(f) To respond to emergencies.

(g) 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), and the utility easement may include, without limitation, easements over and across the Property granted to the City of Austin, acting by and through its municipally-owned electric utility, Austin Energy, and its successors and assigns ("**Austin Energy**"), as may

be necessary for Austin Energy to provide utilities to the Property, including but not limited to chilled water service. 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 structure, Improvement, or condition that may exist on any portion of the Property, including the Units, and a perpetual nonexclusive easement of access throughout the Property to the extent reasonably necessary to exercise this right. Declarant or any party exercising the rights 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 mechanical or electrical facilities may be warranted by a change of circumstance, imprecise siting of the original facilities, or the desire or necessity to comply more fully with Applicable Law. This Section may not be construed to create a duty for Declarant or any third party, 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 portions of 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 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 Easement Area. The Telecommunications Easement Area may be used for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of telecommunications, video and digital equipment, including without limitation, 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 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 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 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 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. EACH OWNER AND OCCUPANT WILL RELEASE AND HOLD HARMLESS THE DECLARANT, ITS 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 OR OTHERS, INCLUDING ANY OMISSIONS, UNDER THIS *SECTION 3.12* (INCLUDING ANY COST, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE DECLARANT'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 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 3.12* shall not be amended without the written and acknowledged consent of 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.

ARTICLE 4
UNITS, LIMITED COMMON ELEMENTS & ALLOCATIONS

4.1. **Initial Submitted Units and Maximum Number of Units.** The Regime will consist of one-hundred thirteen (113) Residential Units and two (2) Commercial Units, a total of one-hundred fifteen (115) Units. During the Development Period, Declarant, as permitted in Appendix "A", has reserved the right to create a maximum of one-hundred twenty (120) Residential or Commercial Units on the Property and additional property added to the Regime. To add additional Units or property to the Regime established by the Declaration, Declarant shall prepare, execute, and record an amendment to this Declaration and the Plat and Plans which amendment will: (i) assign an identifying number to each new Unit; (ii) reallocate the Common Interest Allocation among all Units then existing within the Regime; (iii) describe any Limited Common Elements, if any, created or designated to each new Unit; and (iv) 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 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 lowermost unfinished surface of the concrete or other material comprising the permanent ceiling (any dropped soffit areas and/or false ceiling is within the Unit) in the uppermost floor of the Unit. The lower horizontal boundary of each Unit is the horizontal plane formed by the uppermost surface of the unfinished concrete of the lowermost floor of the Unit. Any decorative or finished flooring, carpet pads, and sub-flooring above or on the unfinished concrete floor is within the boundaries 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* (For example, if the outermost material is brick veneer, the Unit extends to the inside-facing surface of the brick veneer wall, and includes the entire wall cavity); (ii) for portions of the Unit which adjoin a window, window wall system, or exterior glass surface of the Building, the interior-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 Element corridor or hallway, the vertical plane created by the interior unfinished wall (i.e., Unit facing) separating the Unit from the Common Element corridor or hallway, e.g., gypsum board, 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 Element core components, e.g., the area including the central stairway, central entry and elevators on each floor, as depicted on the Plats and Plans, the vertical plane created by the outermost unfinished surface of the Common Element 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 Unit, then the portion serving only one (1) Unit is designated as part of that Unit, and the portion serving more than one (1) Unit is hereby designated as LCE.

(iii) 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.

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.** The following portions of the Common Elements are Limited Common Elements assigned to the Units which may be designated and described on the Plat and Plans:

(i) balcony areas that exclusively serve a Unit are assigned as a Limited Common Element to the Unit so served;

(ii) any utility meter that serves only one Unit is assigned as a Limited Common Element to the Unit so served; and

(iii) each mailbox or mail slot serving a single Unit is assigned as a Limited Common Element 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.

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" to this Declaration, and is assigned to each Unit in accordance with a ratio of the estimated square footage of each Unit to the total estimated 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 set forth on Exhibit "D" and is calculated as follows:

4.6.1. **Standard Units**. Standard Units are collectively assigned ninety five percent (95.00%) of the total Common Expense Liability. Each individual Standard Unit's Common Expense Liability is determined by utilizing the following formula:

[(estimated square footage of Standard Unit / total estimated square footage of all Standard Units)] x [0.95]

= Percentage of Common Expense Liability allocated to each Standard Unit

4.6.2. **Non-Standard Units**. Non-Standard Units are collectively assigned five percent (5.00%) of the total Common Expense Liability. Each individual Non-Standard Unit's Common Expense Liability is determined by utilizing the following formula:

[(1 / total number of Non-Standard Units)] x [0.05]

= Percentage of Common Expense Liability allocated to each Non-Standard Unit

4.6.3. **Designation of Standard and Non-Standard Units**. Units are designated as Standard or Non-Standard on Exhibit "D", attached hereto. In the event Declarant creates additional Units pursuant to *Section 4.1* of this Declaration, the amendment creating such Units will update Exhibit "D" with the percentage of liability for common expenses allocated to each Unit and designate such additional Units as Standard or Non-Standard.

4.7. **Modification of Common Expense Liability Applicable to Units**. Non-Standard Units are provided a discounted Common Expense Liability since they are subject to an affordable housing program required by the City of Austin. The Declarant, during the Development Period, or the Board thereafter, may periodically Record an update to Exhibit "D" to reflect the current Common Expense Liability allocated to each Unit and Standard and Non-Standard Unit designations. If a Unit is converted from a Non-Standard Unit to a Standard Unit for the purpose of calculating the Common Expense Liability hereunder, in no event will the Unit be subsequently converted to a Standard Unit irrespective of whether a subsequent transferee is a participant in an affordable housing program required by the City of Austin.

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

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

(ii) Each Commercial Unit is allocated fifteen (15) 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.

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 or lack thereof. 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 five (5) types of Assessments: Regular Assessments, Special Assessments, Utility 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:

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

(b) Inspection services, as required by *Section 8.2*.

(c) Utilities billed to the Association.

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

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

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

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

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

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

(j) 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 provide copies of the budget to Owners who make written request and pay a reasonable copy charge.

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.

5.5. **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 permittees if insurance proceeds or condemnation awards prove insufficient. Deficiency Assessments will be apportioned among the Units in the same manner as Regular Assessments.

5.9. **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.

5.10. **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 two (2) months of Regular Assessments, 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 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 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. The Declarant during the Development Period, and thereafter the Board, will have the power to waive the payment of any working capital fund contribution attributable to a Unit (or all Units) by the Recordation of a waiver notice, which waiver may be temporary or permanent.

5.11. **Reserve Funds.** The Association may 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.

5.12. **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.

5.13. **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.

5.14. **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.

5.15. **Audited Financial Statements**. The Association shall have an audited financial statement for the preceding full fiscal year of the Association prepared and made available to Owners upon written request.

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 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) a deed of trust or vendor's lien Recorded before this Declaration; or (iv) a first or senior purchase money vendor's

lien or deed of trust lien Recorded before the date on which the delinquent Assessment became due. The Assessment lien is 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 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, 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 the 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 by the manager.

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, 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. The Association maintains, repairs and replaces, as a Common Expense, the following:

(i) All Common Elements; and

(ii) Periodic painting, staining, caulking and/or cleaning of entry doors and door frames, on a schedule to be determined by the Board.

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 F. 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, 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 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 "E", 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 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 Owners to install and maintain smoke detectors, requiring Owners to certify that they have wired the smoke detectors to the Building's fire panel, requiring Owners to allow the Association to inspect the smoke detectors on a schedule to be determined by the Board, requiring Owners to make Improvements to the Owner's 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 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 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 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 an Owner has failed to properly discharge such Owner's obligation to maintain, repair, and replace items for which the Owner is responsible, then the Board may give the Owner written notice of the Association's intent to provide the necessary maintenance at the 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 Owner fails or refuses to timely perform the maintenance, the Association may do so at the Owner's expense, which may be levied as an Individual Assessment against the Owner and the Owner's 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.

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 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 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 City of Austin, 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. **Declarant and Association's Right to Promulgate Rules and Adopt Community Manual**. The Declarant, during the Development Period, reserves the right to adopt, amend, repeal, and enforce reasonable Rules, and penalties for infractions thereof, regarding the occupancy, use, disposition, maintenance, appearance, and enjoyment of the Property. The Declarant, during the Development Period, also reserves the right to amend, repeal, and enforce the Community Manual, setting forth therein such policies governing the Association as the Declarant determines to be in the best interest of the Association, in its sole and absolute discretion. Additionally, the Association, acting through the Board, is granted the right to adopt, amend, repeal, and enforce reasonable Rules, and penalties for infractions thereof, regarding the occupancy, use, disposition, maintenance, appearance, and enjoyment of the Property. The Association, acting through a Majority of the Board, is also granted the right to 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.

EVERY OCCUPANT IS EXPECTED TO COMPLY WITH RULES ADOPTED BY THE BOARD

10.3. **Rules** . In addition to the restrictions contained in this Article, each 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. **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.

10.6. **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 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 Unit or use a 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 Building. No Owner or Occupant of a Unit may use or allow the use of the Unit or any portion of the Building 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 Owner or Occupant of a Unit may use or allow the use of a 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.

10.7. **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.

10.8. **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.

10.9. **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.

10.10. **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.

10.11. **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.

10.12. **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.

10.13. **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.

10.14. **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.

10.15. **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 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.

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

10.16.1. 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.

10.16.2. 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 10.16.2* 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.

10.17. **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.

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:

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

(ii) 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. **Smoking Prohibited within Common Elements**. Smoking shall not be permitted in any of the Common Elements including, but not limited to, the stairwells, garage, hallways, elevators, corridors, unless such area is designated as a "smoking area" by the Board.

10.23. **Unit Keys**. At the request of the Association, each Owner, by acceptance of a deed to a Unit, agrees to provide the Association with a key to the Unit and the security alarm code, if any, to be used by the Association for maintenance, repairs, emergency, pest control, and life-safety purposes. Neither Declarant nor the Association shall be liable for any loss or damage due to its holding such key, or use of such key, for the purposes described above and each Owner shall indemnify and hold harmless Declarant, the Association, and their officers and directors against any and all expenses, including reasonable attorneys' fees, actually incurred by or imposed upon Declarant, the Association, or their officers or directors in connection with any action, suit or other proceeding (including settlement of any such action, suit or proceeding) brought by the Owner or an Occupant, or their guests and invitees against Declarant, the Association, or their officers or directors arising out of or relating to its holding or use of such key for the purposes described above.

10.24. **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 as set forth in *Article 9*.

10.25. **Balconies and Patios**. No linens, cloths, clothing, towels, bathing suits or swimwear, curtains, rugs, mops or laundry of any kind, bicycles or other articles, shall be stored, shaken or hung from or on any of the windows, doors, decks or balconies, or other portions of the Regime. Certain types of furniture, lamps, and container gardens are allowed on balconies or patios if approved in advance by the Architectural Reviewer, such approval to be made in the Board's sole and absolute discretion. The Architectural Reviewer will have the authority to require an Owner or Occupant to remove any article from a window, door, balcony, or patio, if in the sole and exclusive discretion of the Architectural Reviewer, the article is unsightly, offensive, or constitutes an annoyance.

10.26. **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.

10.27. **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 outside of the Unit or any balcony, temporarily or otherwise, and will be moved to the Regime's common trash facilities for collection, or otherwise removed from the Regime by an Owner or Occupant. Notwithstanding anything to the contrary stated herein, only ordinary household trash shall be disposed of in sealed trash bags (not greater than 13-gallon trash bags) and placed in the trash chute. Cardboard boxes and other large bulky items that do not fit within a 13-gallon trash bag will be moved to the Regime's common trash facilities for collection, or otherwise removed from the Regime by an Owner or Occupant. All Owners and Occupants shall refrain from using the trash chute between the hours of 10:00 p.m. and 8:00 a.m. In addition, all Owners and Occupants acknowledge that use of the trash chute may create noise and vibration, and that such noise and vibration will not constitute an interference or disruption to the use and quiet enjoyment of the Unit.

ARTICLE 11
UNIT LEASING AND RESTRICTION ON MARKETING

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 *Section 11.1* shall not apply to any Commercial Unit. Except as provided herein, the leasing of Units shall be prohibited. "Leasing," for the purposes of this Declaration, is defined as regular, exclusive occupancy of a Unit by any Person other than the Owner. For purposes hereof, occupancy by (i) a roommate of an Owner who occupies the Unit as such Owner's primary residence; or (ii) Owner's family member or Owner's employee shall not constitute Leasing hereunder.

11.1.1. General. Owners desiring to lease their Residential Units may do so only if they have applied for and received from the Board either a "Leasing Permit" or a "Hardship Leasing Permit." Declarant is also expressly permitted to issue a "Leasing Permit" or a "Hardship Leasing Permit" to a prospective purchaser of a Unit, if

such prospective purchaser and the seller thereof have executed a binding contract therefor, provided that, in such event, the "Leasing Permit" or a "Hardship Leasing Permit" (as the case may be) will be effective only after the prospective purchaser has acquired the Residential Unit. Such a permit, upon its issuance, will allow an Owner to lease his or her Residential Unit provided that such Leasing is in strict accordance with the terms of the permit and this Article. The Board shall have the authority to establish conditions as to the duration and use of such permits consistent with this Section. All Leasing Permits and Hardship Leasing Permits shall be valid only as to a specific Owner and such Owner's Unit and shall not be transferable between either Units or Owners.

11.1.2. Leasing Permits. An Owner's request for a Leasing Permit shall be approved if current, outstanding Leasing Permits have not been issued for more than 40% of the total number of Residential Units (excluding Units owned by Declarant) in the Regime. A Leasing Permit shall be automatically revoked upon the happening of any of the following events: (i) the sale or transfer of the Unit to a third party (excluding sales or transfers to (a) an Owner's spouse, (b) a Person cohabitating with the Owner, and (c) a corporation, partnership, company, or legal entity in which the Owner is a principal); (ii) the failure of a Unit Owner to lease his or her Unit within 180 days of the Leasing Permit having been issued; (iii) the failure of a Unit Owner to have his or her Unit leased for any consecutive 180 day period thereafter; or (iv) the occurrence of the date referenced in a written notification by the Owner to the Association that the Owner will, as of said date, no longer need the Leasing Permit. If current Leasing Permits have been issued for more than 40% of the total number of Residential Units (excluding Units owned by Declarant), no additional Leasing Permits shall be issued (except for Hardship Leasing Permits) until the number of outstanding current Leasing Permits falls below 40% of the total number of Residential Units (excluding Units owned by Declarant) in the Regime. Owners who have been denied a Leasing Permit shall automatically be placed on a waiting list for a Leasing Permit and shall be issued the same if they so desire when the number of current outstanding Leasing Permits issued falls to 40% or less of the total Residential Units (excluding Units owned by Declarant) in the Regime. The issuance of a Hardship Leasing Permit to an Owner shall not cause the Owner to be removed from the waiting list for a Leasing Permit.

11.1.3. Hardship Leasing Permits. If the failure to lease will result in a hardship, then the Owner may seek to lease on a hardship basis by applying to the Board for a Hardship Leasing Permit. The Board shall have the authority to issue or deny requests for Hardship Leasing Permits in its discretion after considering the following factors: (i) the nature, degree, and likely duration of the hardship, (ii) the harm, if any, which will result to the Regime if the permit is approved, (iii) the number of Hardship Leasing Permits which have been issued to other Owners, (iv) the Owner's ability to cure the hardship, and (v) whether previous Hardship Leasing Permits have been issued to the Owner. Hardship Leasing Permits will be issued and/or denied on a

non-discriminatory basis. A "hardship" as described herein shall include, but not be limited to the following situations: (i) a Unit Owner must relocate his or her residence outside the greater Austin metropolitan area and cannot, within six (6) months from the date that the Unit was placed on the market, sell the Unit except at a price below the current appraised market value, after having made reasonable efforts to do so; (ii) where the Owner dies and the Unit is being administered by his or her estate; (iii) the Owner takes a leave of absence or temporarily relocates and intends to return to reside in the Unit; (iv) the military deployment of an Owner or such Owner's spouse; or (v) a medical emergency of the Owner or an Owner's immediate family member. Hardship Leasing Permits shall be valid for a term not to exceed one year. Owners may apply for additional Hardship Leasing Permits. Hardship Leasing Permits shall be automatically revoked if during the term of the permit, the Owner is approved for and receives a Leasing Permit.

11.2. **Leasing Provisions**. Leasing which is authorized pursuant to a permit granted pursuant to this Article shall be governed by the following provisions:

11.2.1. General. Units may be leased only in their entirety; no fraction or portion may be leased without prior written Board approval. All leases shall be in writing. There shall be no subleasing of Units or assignment of leases without prior written Board approval. All leases must be for an initial term of not less than thirty (30) days, except with written Board approval, which shall not be unreasonably withheld in cases of undue hardship. No Unit may be advertised for lease as a short-term rental on any short-term rental websites, such as Airbnb, VRBO, HomeAway or other similar websites, as determined in the sole and absolute discretion of the Board. Violations of this *Section 11.2.1* shall result in fines levied by the Association in amounts determined from time to time by the Board; provided, however, that any such fines for a violation of this *Section 11.2.1* shall be in an amount equal to not less than One Thousand Dollars and No/100 ($1,000.00) per day for each occurrence. Prior to the levy of any fine pursuant to this *Section 11.2.1*, the Association shall comply with the procedures set forth in Sections 82.102(d) and (e) of the Texas Uniform Condominium Act . Within ten (10) days after executing a lease agreement for the lease of a Unit, the Owner shall provide the Board with a copy of the lease and the name of the lessee and all other people occupying the Unit. The Owner must provide the lessee copies of this Declaration, the Bylaws, and the Rules.

11.2.2. 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 or regulation 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 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. **Owner Occupancy**. For purposes of this Article, a Unit is considered "Owner occupied" if at least one Occupant of an occupied Unit is an Owner of the Unit or if the Unit is vacant; provided, however, that a Unit being offered for lease may not be considered "Owner occupied" even though the Unit is then-vacant or then-occupied by an Owner. In calculating occupancy, Units are counted uniformly regardless of size.

11.4. **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 following provisions:

11.4.1. Violation Constitutes Default. Failure by the tenant or his invitees to comply with the Documents or Applicable Law is deemed to be a default under the lease. When the Association notifies an Owner of his tenant's violation, the Owner will promptly obtain his tenant's compliance or exercise his 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.

11.4.2. 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 his attorney-in-fact, with full authority to act in his place in all respects, solely for the purpose of enforcing the Documents against his tenants, including but not limited to the authority to institute forcible detainer proceedings against his tenant on his behalf.

11.4.3. 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 his 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.

11.5. **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.

11.6. **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.

11.7. **Restriction on Resale of Units**. 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. The foregoing shall apply to only the Residential Units. Each Owner agrees that the breach of this provision during the Sales Restriction Period shall entitle Declarant or the Association to exercise the remedy of specific performance or damages against the Owner. This restriction shall not apply to any foreclosure or exercise of the power of sale by any Mortgagee.

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 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. Although the initial name of the Association is Cascade Condominium Community, Inc., the Association may operate under any name that is approved by the Board and (i) filed with the Travis 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 "Cascade Condominium Community, Inc.," 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 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. To assist the Board in determining whether to delegate a function, a Guide to Association's Major Management & Governance Functions is attached to this Declaration as Exhibit "F" (for the purpose of this Section, the "Guide"). The Guide lists several of the major management and governance functions of a typical residential development with a mandatory owners association. The Guide, however, may not be construed to create legal duties for the Association and its officers, directors, members, employees, and agents that are not justified by the needs of the Association. Rather, the Guide is intended as a tool or an initial checklist for the Board to use periodically when

considering a delegation of its functions. As a list of functions that owners associations commonly delegate to a manager, the Guide should not be considered as a complete list of the Board's duties, responsibilities, or functions. 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 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. **Right of Action by Association**.The Association shall not have the power to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings for: (i) a Construction Claim, as defined in *Section 19.1.4* below, in the name of or on behalf of any Unit Owner (whether one or more); or (ii) a Unit Construction Claim, as defined in *Section 19.1.6* below. The foregoing sentence is expressly intended to remove from the power of the Association the right, under Section 82.102 of the Act, to institute, defend, intervene in, settle, or compromise litigation or administrative proceedings on behalf of two (2) or more Unit Owners on matters affecting the Regime. This *Section 13.6* may not be amended or modified without Declarant's written and acknowledged consent, which must be part of the Recorded amendment instrument.

13.7. **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 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.**

13.8. **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 according to the as-built plans and specifications for each Unit conveyed by Declarant. Such coverage shall include 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 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 general liability insurance on his 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 will be initially assigned to each Unit based on a ratio of the estimated replacement cost of all Residential Units to the estimated replacement cost of the Commercial Unit(s), as conveyed by Declarant. The Board may subsequently adjust the allocation of property insurance premiums on an annual basis based on the estimated replacement cost of all Residential Units to the estimated replacement cost of the Commercial Unit(s), as conveyed by Declarant; provided, however, that such adjustment shall only be effective beginning with the next succeeding fiscal year of the Association. In determining the allocation of property insurance premiums, the Board may take into account such factors as the Board may deem appropriate, including, without limitation, any changes to the value of the Residential Units and the Commercial Unit(s) from year-to-year. The Board may (but will not be required to) rely upon the advice of a Texas-licensed insurance agent or other such individuals having experience or knowledge in insurance matters. The costs of the insurance premiums attributable to Units and LCE will be allocated to each Unit as part of the Regular 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.

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 may 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 to 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.**

14.10.1. 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.

14.10.2. 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.

14.10.3. 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.

14.10.4. 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 Nature**. A Document amendment of a material nature must be approved by Owners representing at least eighty percent (80%) 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.** A change to any of the provisions governing the following would be considered material (hereafter a "**Material Amendment**"):

(i) Voting rights.

(ii) Any method of imposing or determining any charges to be levied against individual unit owners.

(iii) Assessment liens or the priority of assessment liens.

(iv) Reserves for maintenance, repair, and replacement of Common Elements.

(v) Responsibility for maintenance and repairs.

(vi) Reallocation of interests in the General Common Elements or Limited Common Elements, or rights to their use; except that when Limited Common Elements are reallocated by Declarant pursuant to any rights reserved by Declarant pursuant to Appendix "A", by agreement between Owners (only those Owners and only the Mortgagees holding mortgages against those Units need approve the action).

(vii) Expansion or contraction of the Property, or the addition, annexation, or withdrawal of property to or from the Property.

(viii) Reduction of insurance requirements.

(ix) Imposition of any restrictions on the leasing of Units.

(x) Imposition of any restrictions on Owners' right to sell or transfer their Units.

(xi) Restoration or repair of the Property, in a manner other than that specified in the Documents, after hazard damage or partial condemnation.

(xii) Any provision that expressly benefits mortgage holders, insurers, or guarantors.

(xiii) Imposition of a new scheme of regulation or enforcement of exterior maintenance standards, architectural design or exterior appearance of Units other than those specified in the Declaration.

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 eighty percent (80%) of the votes in the Association. Notice of any amendment to the Declaration which must be approved by Owners representing at least eighty percent (80%) of the votes in the Association shall be delivered to each Member in accordance with the Bylaws. All amendments made to the Declaration, Bylaws or Certificate during the Development Period must be approved by the Secretary of Veterans Affairs or its authorized agent prior to Recording such document if Veterans Affairs has guaranteed any loans secured by Units in the Regime. All Material Amendments made to the Declaration, Bylaws or Certificate and all Extraordinary Actions taken during the Declarant Control Period must be approved by the Secretary of Veterans Affairs or its authorized agent prior to Recording such document if Veterans Affairs has guaranteed any loans secured by Units in the Regime. Further, if Veterans Affairs has guaranteed any loans secured by Units in the Regime the Secretary of Veterans Affairs or its authorized agent must consent to any termination of the Declaration, dissolution of the Association (except by consolidation or merger), and any conveyance of Common Elements. In addition, a change to any provision in the Declaration governing the following items (each an "**Extraordinary Action**") must be approved by Owners representing at least eighty percent (80%) of the votes in the Association:

(a) Merging or consolidating the Association (other than with another non-profit entity formed for purposes similar to the Association).

(b) Determining not to require professional management if that management is required by the Declaration or the Association.

(c) The addition of land to the Declaration if the addition would increase the overall land area then subject to the Declaration by more than ten percent (10%).

(d) Abandoning, partitioning, encumbering, mortgaging, conveying selling or otherwise transferring or relocating the boundaries of Common Elements with the exception of: (a) granting easements over and across the Common Elements otherwise permitted by this Declaration or the Act; (b) dedicating all or any portion of a Common Element to the extent required by any governing authority or regulatory authority; (c) adjustments to the boundary line of Common Elements if made in accordance with the provisions of this Declaration; or (d) transferring Common Elements pursuant to a merger or consolidation with another entity.

(e) Using insurance proceeds for purposes other than construction or repair of the insured Improvements.

(f) Any capital expenditure, other than for the maintenance, operation, repair or replacement of any existing Improvement, if the capital expenditure exceeds more than twenty percent (20%) of the annual operating budget during any period of twelve (12) consecutive months.

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. 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.

18.3. **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).

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 Common Element Report (as defined below) or perform any other investigation or inspection of the Common Elements 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 8.2 of this Declaration provided that such inspection services are not commissioned by the Association in conjunction with a Unit Construction Claim or a Common Element 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 agrees to submit 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 Units, Common Elements or any Improvement within, serving, or forming a part of the Regime (individually a "**Party**" and collectively, the "**Parties**") agree to encourage the amicable 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:

19.1.1. "**Claim**" means:

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

(ii) 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;

(iii) 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

(iv) 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, including any Claims related to an alleged failure to perform repairs or for a breach of warranty.

19.1.2. "**Claimant**" means any Party having a Claim against any other Party.

19.1.3. "**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, including any Claims related to an alleged failure to perform repairs or for a breach of warranty.

19.1.4. **"Construction Claim"** means a Claim defined in *Section 19.1.1(iii)* or *Section 19.1.1(iv)*.

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

19.1.6. **"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, including any Claims related to an alleged failure to perform repairs or for a breach of warranty.

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 and any warranty agreement, 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. **Common Element Construction Claim by the Association**. In accordance with *Section 13.6* of this Declaration, the Association does not have the power or right to institute, defend, intervene in, settle, or compromise litigation, arbitration or other proceedings for: (i) a Construction Claim in the name of or on behalf of any Unit Owner (whether one or more); or (ii) a Unit Construction Claim. Additionally, 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 Common Element 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 Common Element 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 Common Element 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 Common Element Construction Claim, or if the Association agrees to settle the Common Element 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 Common Element Construction Claim, or engage or execute an agreement between the Association and a law firm or attorney, for the purpose of preparing a Common Element Report or performing any other investigation or inspection of the Common Elements related to a Common Element 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 Common Element Report or perform any other investigation or inspection of the Common Elements related to a Common Element 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 Common Element 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 eighty percent (80%) 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 Common Element Construction Claim; (ii) if the Association elects not to enter into a Claim Agreement; (iii) if the Association agrees to settle the Common Element 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 eighty percent (80%) of the votes in the Association must approve the law firm and attorney who will prosecute a Common Element Construction Claim and the Inspection Company who will prepare the Common Element Report or perform any other investigation or inspection of the Common Elements related to a Common Element 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 Common Element 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 eighty percent (80%) of the votes in the Association approve the law firm and/or attorney who will prosecute the Common Element Construction Claim, and the Inspection Company who will prepare the Common Element Report or perform any other investigation or inspection of the Common Elements related to a Common Element 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, a Common Element 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 Common Element 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 Common Element Report, the specific Common Elements 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 a Common Element Report.

The requirements related to the Common Element 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 Common Element Report and recommendations are not affected by influences that may compromise the professional judgement of the party preparing the Common Element Report, and to avoid circumstances which would create the appearance that the professional judgment of the party preparing the Common Element Report is compromised.

Obtain a written independent third-party report for the Common Elements (the "**Common Element Report**") from a professional engineer licensed by the Texas Board of Professional Engineers with an office located in Travis County, Texas (the "**Inspection Company**"). The Common Element Report must include: (i) a description with photographs of the Common Elements subject to the Common Element Construction Claim; (ii) a description of the present physical condition of the Common Elements subject to the Common Element Construction Claim; (iii) a detailed description of any modifications, maintenance, or repairs to the Common Elements performed by the

Association or a third-party, including any Respondent; and (iv) specific and detailed recommendations regarding remediation and/or repair of the Common Elements subject to the Common Element 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 Common Element 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 Travis 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 Common Element Report must be obtained by the Association. The Common Element 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 Common Element Report are not required to be paid directly by the Association to the Inspection Company at the time the Common Element 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 Common Element 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 Common Element Report is finalized and delivered to the Association.

19.4.4. Provide a Copy of Common Element Report to all Respondents and Owners. Upon completion of the Common Element Report, and in any event no later than three (3) days after the Association has been provided a copy of the Common Element Report, the Association will provide a full and complete copy of the Common Element 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 Common Element Report which will include the date the report was provided. The Common Element 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 Common Element Report. Commencing on the date the Common Element 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 Common Element Report; (ii) contact the Inspection Company for additional information necessary and required to clarify any information in the Common Element Report; and (iii) correct any condition identified in the Common Element Report. As provided in *Section 3.8* 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 Common Element 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 eighty percent (80%) 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 Common Element 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 Common Element Construction Claim, the relief sought, the anticipated duration of prosecuting the Common Element Construction Claim, and the likelihood of success; (ii) a copy of the Common Element 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 Common Element 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 Common Element Construction Claim; (v) a summary of the steps previously taken by the Association to resolve the Common Element Construction Claim; (vi) a statement that initiating the lawsuit or arbitration proceeding to resolve the Common Element Construction Claim may affect the market value, marketability, or refinancing of a Unit while the Common Element Construction Claim is prosecuted; and (vii) a description of the manner in which the Association proposes to fund the cost of prosecuting the Common Element 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 Common Element Construction Claim; (b) a member of the law firm of the attorney who represents or will represent the Association in the Common Element 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 Common Element Construction Claim. In the event Members approve providing the Notice described in *Section 19.6*, or taking any other action to prosecute a Common Element Construction Claim, the Members holding a Majority of the votes in

the Association, at a special meeting called in accordance with the Bylaws, may elect to discontinue prosecution or pursuit of the Common Element 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 Travis 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 3.8* 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 19.3* 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 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 19.3.2* (Provide Notice of Inspection), *Section 19.3.3* (Obtain a Common Element Report), *Section 19.3.4* (Provide a Copy of Common Element Report to all Respondents and Owners), *Section 19.3.5* (Provide Right to Cure Defects and/or Deficiencies Noted on Common Element Report), *Section 19.3.6* (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 and 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 Common Element Construction Claim, the Notice will also include: (a) a true and correct copy of the Common Element Report, and any and all other reports, studies, analyses, and recommendations obtained by the Association related to the Common Elements; (b) a copy of any Claim Agreement; (c) reasonable and credible evidence confirming that Members holding eighty percent (80%) 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 special meeting notice provided to Members in accordance with *Section 19.4.6* above; and (e) reasonable and credible evidence confirming that Members holding eighty

percent (80%) 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 and eighty (180) days of

the filing of the Claim for arbitration. Arbitration proceedings hereunder shall be conducted in Travis 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. **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.

19.12. **Period of Limitation**.

19.12.1. 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 19.12.1* be interpreted to extend any period of limitations.

19.12.2. 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 Common Element

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 Common Element Construction Claim; (ii) for Claims other than a Common Element 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 19.12.2* be interpreted to extend any period of limitations.

19.13. **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. **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.

20.2. **Sprinklers**. If the Building is equipped with a sprinkler system, the system may include sprinkler heads that intrude into the Units. All 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.

20.3. **Leasing Restrictions**. Leasing of a Unit shall be permitted only in accordance with this Declaration if the Owner obtains a "Leasing Permit" or "Hardship Leasing Permit".

See *Article 11* of this Declaration for a description of lease restrictions and the "Leasing Permit" program.

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**. 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.**

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. 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**. While some steps have been taken to mitigate sound in the design and construction of the Building, the Units are not constructed to be 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. **Floor Plans and Dimensions**. The unit floor plans and the dimensions provided to any Owner or prospective Owner by Declarant or any Person (including brokers and sales agents) acting on behalf of Declarant are only approximations. If an Owner or prospective Owner is concerned about any representations regarding the floor plans, the Owner should conduct its own investigation as to the dimensions, measurements and square footage of the Unit.

20.13. **Depiction of Parking Spaces**. Location, dimensions, 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. Furthermore, parking spaces may be adjacent to concrete walls and/or columns such that car doors are unable to fully open.

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

20.15. **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 property 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 (see *Section 8.7*).

20.16. **Flat Roof Systems**. Portions of the Building 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.

20.17. **Telecommunications Easement**. Declarant has reserved for itself an exclusive, perpetual and irrevocable easement, license and right to use the Telecommunications Easement Area for licensing to others rights to install and operate telecommunications equipment, as more specifically set forth in *Section 3.12*. Declarant shall retain all income generated from such licensing activities.

20.18. **Compliance with Plans and Specifications**. The Building was constructed pursuant to plans and specifications prepared by licensed professionals and permits issued by

the City of Austin and Travis 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, do, and did occur as a matter of intention and/or as a matter of necessity. While the Building was constructed according to standard building practices and building codes existing at the time of the submission of the plans and specifications for the Building for permit, some code requirements may have changed during the interim period which were not incorporated into the design of the Building.

20.19. **Known Conditions**. Each Owner acknowledges that the Regime is located adjacent to high voltage power lines. EACH OWNER HEREBY WAIVES AND EXPRESSLY RELEASES ANY CLAIM FOR LOSS OR DAMAGES RESULTING FROM SUCH CONDITIONS.

20.20. **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.

20.21. **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.

20.22. **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 garage 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.

20.23. **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.

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

20.25. **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.

20.26. **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.

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

20.28. **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.

20.29. **Trash Chutes**. The use of the trash and laundry chutes may create noise and vibration, and such noise and vibration shall not constitute an interference or disruption to the use and quiet enjoyment of the Unit. The trash and laundry chutes and related facilities may also emanate undesirable odors.

20.30. **Dryer Vents**. Certain Units in the Building may require long vents for the dryer. Each Owner is responsible for determining whether such a vent is required for any dryer to be located in the Unit. The failure to utilize the appropriate dryer vent may create a fire hazard for which Owner shall be responsible. To the extent that Owner desires to modify any such vent, Owner is hereby advised that such modifications will be at Owner's sole cost and expense, which expense may include changes to neighboring vents to which Owner's vent is connected, and, in any event, will be subject to the architectural review process provided for pursuant to this Declaration.

20.31. **Media Equipment**. Declarant makes no representations or warranties regarding any electronic media equipment located in the Common Elements (including, but not limited to plasma televisions). Such equipment may need repairs or replacement in the future, and Declarant shall not be responsible for such repairs or replacement under any circumstances.

20.32. **Moisture in Parking Facilities**. Water may drip onto any vehicle parked within the parking garage. 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.

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

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

20.35. **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.

20.36. **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.

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

20.38. **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 may be subject to warping, splitting, swelling and/or delamination.

20.39. **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 be constructed with 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.

20.40. **Variations in Stone**. Veins and colors of any marble, slate or other stone in the Unit, if any, may vary drastically from one piece of stone to another. Each piece is different. Marble, granite, slate, quartz and other stone can also have chips and shattering veins, which

look like scratches. The thickness of the joints between marble, granite, slate and other stone and/or other materials against which they have been laid will vary and there will be irregularities in surface smoothness. Marble and other stone 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, quartz and other stone, and it is the Owner's responsibility to properly maintain these materials. Marble, granite and other stone 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 stone 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.

20.41. **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.

20.42. **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.

20.43. **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.

20.44. **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.

20.45. **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.

20.46. **Declarant's Participation in Construction**. Declarant will be constructing portions of the Regime and engaging in other construction activities related to the construction of Building. Such construction 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.

20.47. **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.

ARTICLE 21
GENERAL PROVISIONS

21.1. **Parking Spaces and Vehicles**. 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.

21.2. **Use of Names**. The name "Cascade Condominiums" is not a tradename. Notwithstanding the foregoing, no Person shall use the name "Cascade 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 "Cascade 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 "Cascade 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 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) this Declaration;

(ii) the Certificate;

(iii) the Bylaws; and

(iv) 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"	Land
Exhibit "B"	Plat and Plans
Exhibit "C"	Encumbrances
Exhibit "D"	Common Interest Allocation and Common Expense Liability
Exhibit "E"	Summary of Maintenance Obligations
Exhibit "F"	Guide to Association's Major Management and Governance Functions
Appendix "A"	Declarant Reservations and Representations

[SIGNATURE PAGE FOLLOWS]

EXECUTED on this 1st day of December, 2021.

DECLARANT:

2501 N. LAMAR, LLC,
a Texas limited liability company

By: Pearlstone Management I, LLC,
a Texas limited liability company
its Manager

By: _____
Name: Robert Lee
Title: Manager

THE STATE OF TEXAS §

COUNTY OF Travis §

This instrument was acknowledged before me this 1st day of December, 2021, by Robert Lee, Manager of Pearlstone Management I, LLC, a Texas limited liability company, Manager of 2501 N. Lamar, LLC, a Texas limited liability company, on behalf of said limited liability company.

(SEAL)

SHIRLEY ARREDONDO
Notary ID #129947888
My Commission Expires
September 8, 2022

_____

CONSENT OF MORTGAGEE

The undersigned, being the sole owner and holder, in the capacity indicated, of the lien created by a Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing (the "Lien") recorded as Document No. 2020172963 in the Official Public Records of Travis County, Texas, securing notes of even date therewith, executes this Declaration solely for the purpose of evidencing the consent required pursuant to Section 82.051(b) of the Texas Property Code. This Consent shall not be construed or operate as any release or subordination of lien or security interest owned and held by undersigned or any part thereof.

KHRE SMA FUNDING, LLC

By: _____

Printed Name: Laura L. Torrado

Title: Authorized Signatory

THE STATE OF NEW YORK §

COUNTY OF NEW YORK §

This instrument was acknowledged before me on this 21st day of December, 20 21, by Laura L. Torrado the Authorized Signatory of KHRE SMA FUNDING, LLC, on behalf of said limited liability company.

_____

(SEAL) Notary Public, State of New York

Nikki Nociforo
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01NO6418572
Qualified in New York County
Commission Expires June 14, 2025

EXHIBIT "A"

FIELD NOTE DESCRIPTION OF 0.989 ACRE OF LAND, BEING PORTIONS OF LOTS 1, 2, 3 4, AND 5, BLOCK 4, ROBARD'S SUBDIVISION OF OUTLOTS 43, 44, 45, 54 AND 55, DIVISION D, A SUBDIVISION IN TRAVIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 1 PAGE 12 OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS, AND BEING ALL OF THAT CERTAIN TRACT OF LAND AS CONVEYED TO LITTLEFIELD CORPORATION BY SPECIAL WARRANTY DEED RECORDED IN DOCUMENT No. 2001106999 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a capped iron rod found (marked "D. Seelig") at the point of intersection of the North right-of-way line of West 25th Street and the West right-of-way line of Longview Street for the Southeast corner of Lot 1, Block 4, Robard's Subdivision of Outlots 43, 44, 45, 54 and 55, Division D, a subdivision in Travis Country, Texas, according to the map or plat thereof recorded in Volume 1 Page 12 of the Plat Records of Travis County, Texas, and being the Southeast corner of that certain tract of land as conveyed to Littlefield Corporation by Special Warranty Deed recorded in Document No. 2001106999 of the Official Public Records of Travis County, Texas, and being the Southeast corner and PLACE OF BEGINNING of the herein described tract of land;

THENCE with the North right-of-way line of West 25th Street and with the South line of said Lot 11 N 83 deg. 58' 13" W 196.50 ft. to a 1/2" iron rod set with a plastic cap imprinted with "Holt Carson, Inc." for the Southwestern corner of said Littlefield Corporation tract and for the Southeast corner of that certain tract of land as conveyed to the City of Austin by deed recorded in Volume 448 Page 86 of the Deed Records of Travis County, Texas, same being the Southwest corner of this tract;

THENCE leaving the North right-of-way line of West 25th Street and crossing the interiors of Lots 1, 2, 3, 4 and 5 in said Block 4 of Robard's Subdivision, and with the common line of said Littlefield Corporation tract and said City of Austin tract, the following two courses:

1. N 16 deg. 29' 23" E 220.19 ft. to a capped iron rod found (marked "D.Seelig");

2. N 29 deg. 56' 14" E 36.09 ft. to round head bolt found in the common line of Lot and Lot 6 in said Block 4 of Robard's Subdivision, for the Northwest corner of said Littlefield Corporation tract and for the Southwest corner of that certain (0.6662 acre) tract of land as conveyed to Baustin Nob Hill, Ltd. by Warranty Deed recorded in Volume 13117 Page 1962 of the Real Property Records of Travis County, Texas, and being the Northwest corner of this tract; 0.989 Acre tract

THENCE with the common line of said Lot 5 and Lot 6 and with the common line of said Littlefield Corporation tract and said Baustin Nob Hill (0.6662 acre) tract, S 84 deg. 10' 28" E 141.04 ft. to a 1/2" iron rod found in the West right-of-way line of Longview Street for the Northeast corner of said Lot 5 and the Southeast corner of said Lot 6 and for the Northeast corner of said Littlefield Corporation tract and for the Southeast corner of said Baustin Nob Hill (0.6662 area) tract, same being the Northeast corner of this tract;

THENCE with the West right-of-way line of Longview Street and with the East line of said Littlefield Corporation tract, S 05 deg. 50' 00" W 250.03 ft. to the PLACE OF BEGINNING, containing 0.989 acre of land.

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

TRAVIS COUNTY, TEXAS
JAMES ROGERS SURVEY #6, A-660

"CASCADE CONDOMINIUMS"

CONDOMINIUM PLAT AND PLANS

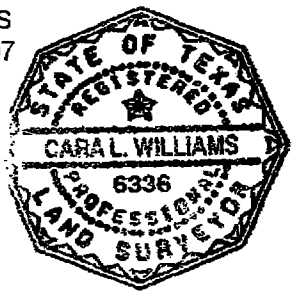
A CONDOMINIUM REGIME IN TRAVIS COUNTY, TEXAS, ESTABLISHED UPON A CALLED 0.989 ACRE TRACT OF LAND SITUATED IN THE JAMES ROGERS SURVEY #6, A-660, IN THE CITY OF AUSTIN, TRAVIS COUNTY, TEXAS, AND BEING THE SAME PROPERTY CONVEYED BY WARRANTY DEED TO 2501 N LAMAR, LLC, RECORDED IN DOCUMENT NO. 2019035728, OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS; SAID 0.989 ACRE TRACT BEING PORTIONS OF LOTS 1, 2, 3, 4 AND 5, BLOCK 4, ROBARD'S SUBDIVISION OF OUTLOTS 43, 44, 45, 54 AND 55, DIVISION "D", RECORDED IN VOLUME 1, PAGE 12, PLAT RECORDS, TRAVIS COUNTY, TEXAS.

SURVEYOR'S CERTIFICATION:
I, CARA L. WILLIAMS, DO HEREBY CERTIFY THAT THIS SURVEY CONTAINS ALL THE INFORMATION REQUIRED OF PLATS AND PLANS UNDER SECTION 82.052 AND 82.059 OF THE TEXAS UNIFORM CONDOMINIUM ACT, CHAPTER 82, TEXAS PROPERTY CODE.

C.L. Wil 7-17-2020

CARA L. WILLIAMS — DATE
R.P.L.S. NO. 6336 - STATE OF TEXAS
WUEST GROUP - FIRM NO. 10194507
DATE OF SURVEY: 3-19-2020

PLAT - SEE SHEETS 1 - 13
PLANS - SEE SHEETS 14 - 32



1200 W 25TH ST.
AUSTIN,TX 78705
JULY, 2020
PROJECT NO. 501-084

WUEST GROUP
ENGINEERING & SURVEYING
TBPLS FIRM # 10194507
TBPE FIRM # F-15324
5207 AIRPORT BLVD.
AUSTIN, TEXAS 78751
(512)394-1900

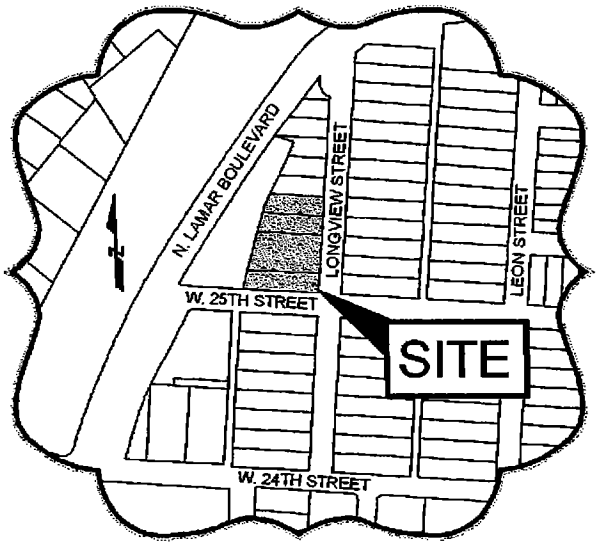
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TRAVIS COUNTY, TEXAS
JAMES ROGERS SURVEY #6, A-660

"CASCADE CONDOMINIUMS"

CONDOMINIUM PLAT AND PLANS

NOTES



VICINITY MAP
(NOT TO SCALE)

GENERAL NOTES:

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 THE CONDOMINIUM REGIME FOR "CASCADE CONDOMINIUMS" (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 PROPERTY IS SUBJECT TO SPECIAL RIGHTS RESERVED BY THE DECLARANT IN THE DECLARATION. PURSUANT TO SUCH PROVISIONS, AMONG OTHER THINGS, DECLARANT HAS RESERVED THE RIGHT TO (I) COMPLETE OR MAKE IMPROVEMENTS INDICATED ON THE PLAT AND PLANS; (II) EXERCISE ANY DEVELOPMENT RIGHT PERMITTED BY THE TEXAS UNIFORM CONDOMINIUM ACT (THE "ACT") AND THE DECLARATION, INCLUDING THE RIGHT(S): TO ADD REAL PROPERTY TO THE CONDOMINIUM; TO CREATE UNITS, GENERAL COMMON ELEMENTS, AND LIMITED COMMON ELEMENTS; TO SUBDIVIDE UNITS OR CONVERT UNITS INTO COMMON ELEMENTS; AND TO WITHDRAW PROPERTY FROM THE CONDOMINIUM; (III) MAKE PROPERTY PART OF A LARGER CONDOMINIUM OR PLANNED COMMUNITY; (IV) USE UNITS OWNED OR LEASED BY DECLARANT AS MODELS, STORAGE AREAS, AND OFFICES FOR THE MARKETING, MANAGEMENT, MAINTENANCE, CUSTOMER SERVICE, CONSTRUCTION, AND LEASING OF THE PROPERTY; (V) USE EASEMENTS THROUGH THE COMMON ELEMENTS FOR THE PURPOSE OF MAKING IMPROVEMENTS WITHIN THE REGIME; AND (VI) APPOINT OR REMOVE ANY DECLARANT - APPOINTED OFFICER OR DIRECTOR OF THE ASSOCIATION DURING THE DECLARANT CONTROL PERIOD (AS DEFINED IN THE DECLARATION) CONSISTENT WITH THE ACT.

4. THE UPPER AND LOWER BOUNDARIES OF EACH UNIT ARE AS DESCRIBED IN THE DECLARATION.

1200 W 25TH ST.
AUSTIN,TX 78705
JULY, 2020
PROJECT NO. 501-084

WUEST GROUP
ENGINEERING & SURVEYING
TBPLS FIRM # 10194507
TBPE FIRM # F-15324
5207 AIRPORT BLVD.
AUSTIN, TEXAS 78751
(512)394-1900

Drawing: G:\0137 LDC\005 2501 N Lamar\Survey\CAD\2020\Condo Docs\1-4_Cascade-Condominiums_base-bndry.dwg Last Plotted: Tue Sep 22, 2020 - 9:52am By: Michael

TRAVIS COUNTY, TEXAS
JAMES ROGERS SURVEY #6, A-660

"CASCADE CONDOMINIUMS"

CONDOMINIUM PLAT AND PLANS

LEGEND

LEGEND	
●	1/2" IRON ROD FOUND
⊙	1/2" IRON BOLT FOUND
■	5/8" IRON BOLT FOUND
▲	MAG NAIL W/WASHER STAMPED "BURY" FOUND
EMH○	ELECTRIC MANHOLE
PP	POWER POLE
WM	WATER METER
WV	WATER VALVE
BFP	BACKFLOW PREVENTER
FDC	FIRE DEPARTMENT CONNECTION
SSMH○	STORM SEWER MANHOLE
▪	TREE GRATE
‡	DECORATIVE LIGHT POLE
—○—	CHAIN LINK FENCE
R.O.W.	RIGHT-OF-WAY
D.R.T.C.T.	DEED RECORDS, TRAVIS COUNTY, TEXAS
P.R.T.C.T.	PLAT RECORDS, TRAVIS COUNTY, TEXAS
R.P.R.T.C.T.	REAL PROPERTY RECORDS, TRAVIS COUNTY, TEXAS
O.P.R.T.C.T.	OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS
( )	RECORD INFO. PER DOC. #2019035728, O.P.R.T.C.T.
[ ]	RECORD INFO. PER VOL. 13117, PG. 1962, R.P.R.T.C.T.
	CONCRETE
GCE	GENERAL COMMON ELEMENT (GCE)
	LIMITED COMMON ELEMENTS (LCE)
	UNITS

1200 W 25TH ST.
AUSTIN,TX 78705
JULY, 2020
PROJECT NO. 501-084

WUEST GROUP
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TBPLS FIRM # 10194507
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(512)394-1900

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TRAVIS COUNTY, TEXAS
JAMES ROGERS SURVEY #6, A-660

"CASCADE CONDOMINIUMS"

CONDOMINIUM PLAT AND PLANS

BOUNDARY

LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	N27° 28' 37"E	36.08'
	(N29° 56' 14"E)	(36.09')
L2	S03° 23' 52"W	249.90'
	(S05° 50' 00"W)	(250.03')
L3	N86° 27' 29"W	196.44'
	(N83° 58' 13"W)	(196.50')
L4	N25° 35' 20"E	142.47'
	[N28° 03' 00"E]	[142.37']

N

0 50 100 Feet

SCALE: 1" = 50'

BEARING BASIS & HORIZONTAL DATUM:

TEXAS STATE PLANE COORDINATES, GRID
NAD '83 (CENTRAL ZONE 4203)

LOT 8, BLOCK 4

LOT 7, BLOCK 4

CALLED 0.6662 ACRE
BAUSTIN NOB HILL LTD
VOL. 13117, PG. 1962
R.P.R.T.C.T.

LOT 6, BLOCK 4

S86° 37' 14"E (S84° 10' 28"E)
141.26' (141.04')

ACCESS AGREEMENT
DOC. #2000023488
O.P.R.T.C.T.
(SLANT HATCH)

LOT 16, BLOCK 5

FROM WHICH A 1/2" IRON ROD FOUND BEARS N16° 37' 15"E A DISTANCE OF 0.14'

30'x30' LEASE AGREEMENT
DOC. #2000023488
& DOC. #2014015043
O.P.R.T.C.T.

LEASE AGREEMENT
DOC. #2012007041
O.P.R.T.C.T.
(DOT HATCH)

LOT 17, BLOCK 5

CALLED 1.606 ACRE
RAR2-AXIS WEST CAMPUS, LP
DOC. #2016220670
O.P.R.T.C.T.

L1

WITH STAMP
"D. SEELIG 1908"

LOT 5, BLOCK 4

LOT 4, BLOCK 4

SIDEWALK EASEMENT
DOC. #2020000746 &
DOC. #2020144290
O.P.R.T.C.T.
(SOLID HATCH)

LOT 18, BLOCK 5 (A)

CITY OF AUSTIN
VOL. 448, PG. 86
D.R.T.C.T.

(A) ROBARD'S SUBDIVISION
OUTLOTS 43, 44, 45, 54 AND 55,
DIVISION "D"
BK. 1, PG. 12, P.R.T.C.T.

CALLED 0.988 ACRE
2601 N LAMAR LLC
DOC. #2019035728
O.P.R.T.C.T.

(N16° 29' 23"E)
(220.18')

LOT 3, BLOCK 4

L2

LOT 19, BLOCK 5

LONGVIEW STREET
(60' R.O.W.)

N13° 59' 10"E
220.17'

LOT 2, BLOCK 4

LOT 20, BLOCK 5

LOT 1, BLOCK 4

5' WIDE UTILITY EASEMENT
VOL. 2041, PG. 213
D.R.T.C.T.

S86° 05' 34"E
60.02'

LOT 21, BLOCK 5

L3

WITH STAMP
"D. SEELIG 1908"

SIDEWALK EASEMENT
DOC. #2020000746 &
DOC. #2020144290
O.P.R.T.C.T.
(SOLID HATCH)

W. 25TH STREET
(60' R.O.W.)

1200 W 25TH ST.
AUSTIN, TX 78705

JULY, 2020

PROJECT NO. 501-084

WUEST GROUP

ENGINEERING & SURVEYING

TBPLS FIRM # 10194507
TBPE FIRM # F-15324
5207 AIRPORT BLVD.
AUSTIN, TEXAS 78751
(512)394-1900

SHEET 4 OF 30

NOTE:

A BLANKET SANITARY SEWER EASEMENT RECORDED IN VOL. 305, PG. 84, DOES AFFECT THE SUBJECT TRACT.

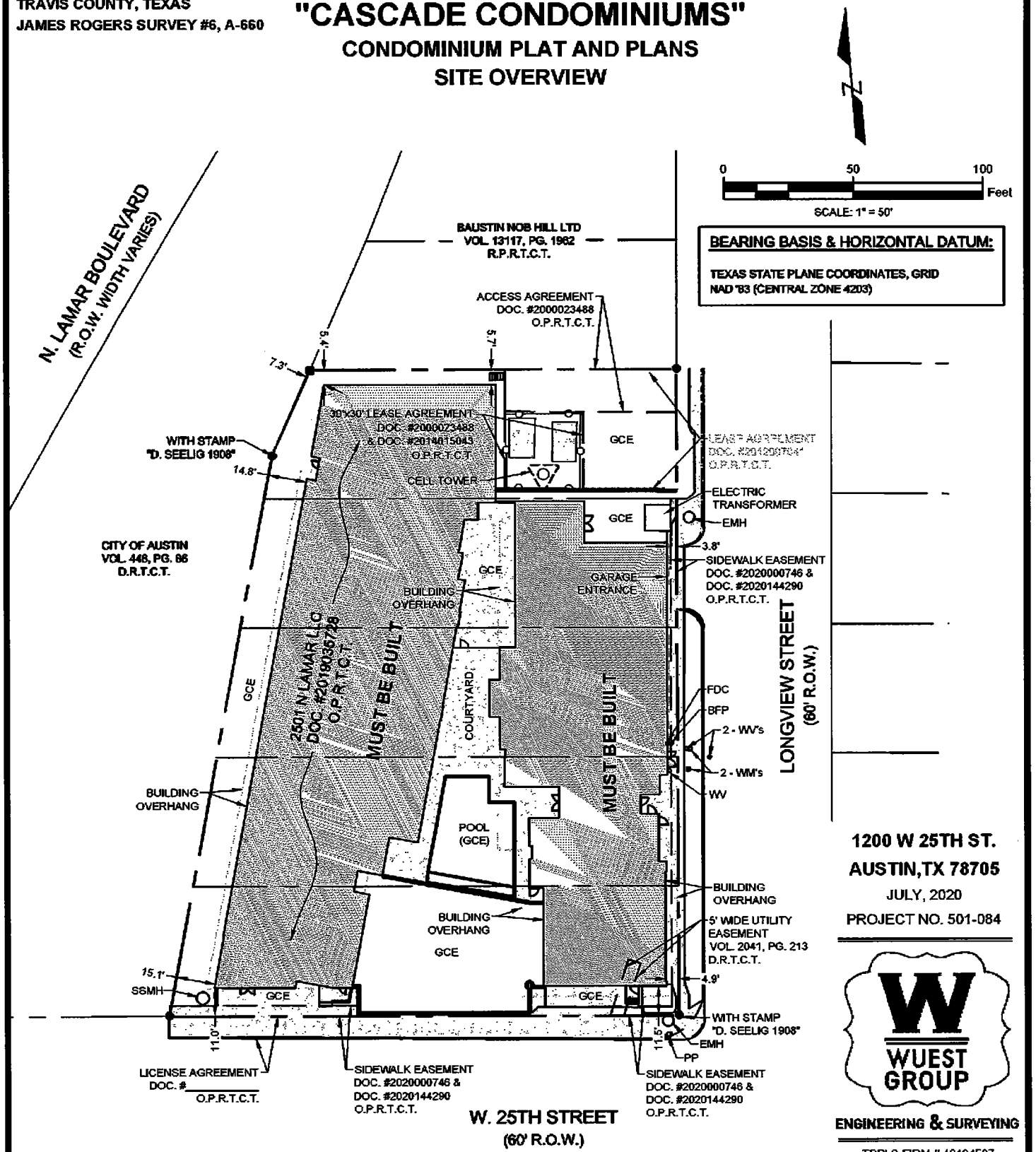
(A) LOT 8, BLOCK 3 — THE WINCHESTER CONDOMINIUMS VOL. 8789, PG. 741 R.P.R.T.C.T.

TRAVIS COUNTY, TEXAS
JAMES ROGERS SURVEY #6, A-660

"CASCADE CONDOMINIUMS"

CONDOMINIUM PLAT AND PLANS

SITE OVERVIEW



1200 W 25TH ST.
AUSTIN,TX 78705
JULY, 2020
PROJECT NO. 501-084

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TBPLS FIRM # 10194507
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5207 AIRPORT BLVD.
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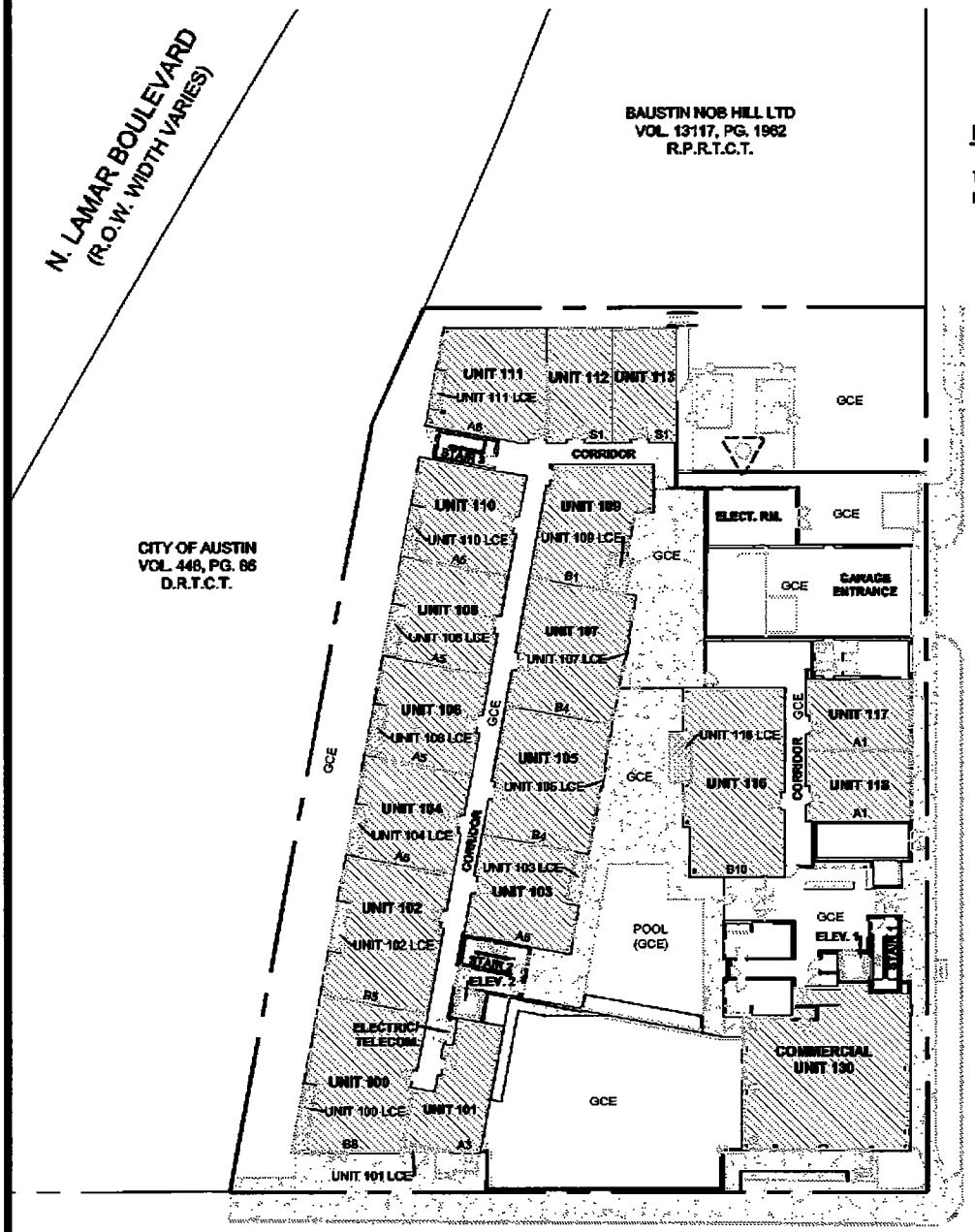
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TRAVIS COUNTY, TEXAS
JAMES ROGERS SURVEY #6, A-660

"CASCADE CONDOMINIUMS"

CONDOMINIUM PLAT AND PLANS

LEVEL 1



0 50 100 Feet

SCALE: 1" = 50'

BEARING BASIS & HORIZONTAL DATUM:

TEXAS STATE PLANE COORDINATES, GRID
NAD '83 (CENTRAL ZONE 4203)

1200 W 25TH ST.
AUSTIN,TX 78705

JULY, 2020

PROJECT NO. 501-084

WUEST GROUP
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TRAVIS COUNTY, TEXAS
JAMES ROGERS SURVEY #6, A-660

"CASCADE CONDOMINIUMS"

CONDOMINIUM PLAT AND PLANS

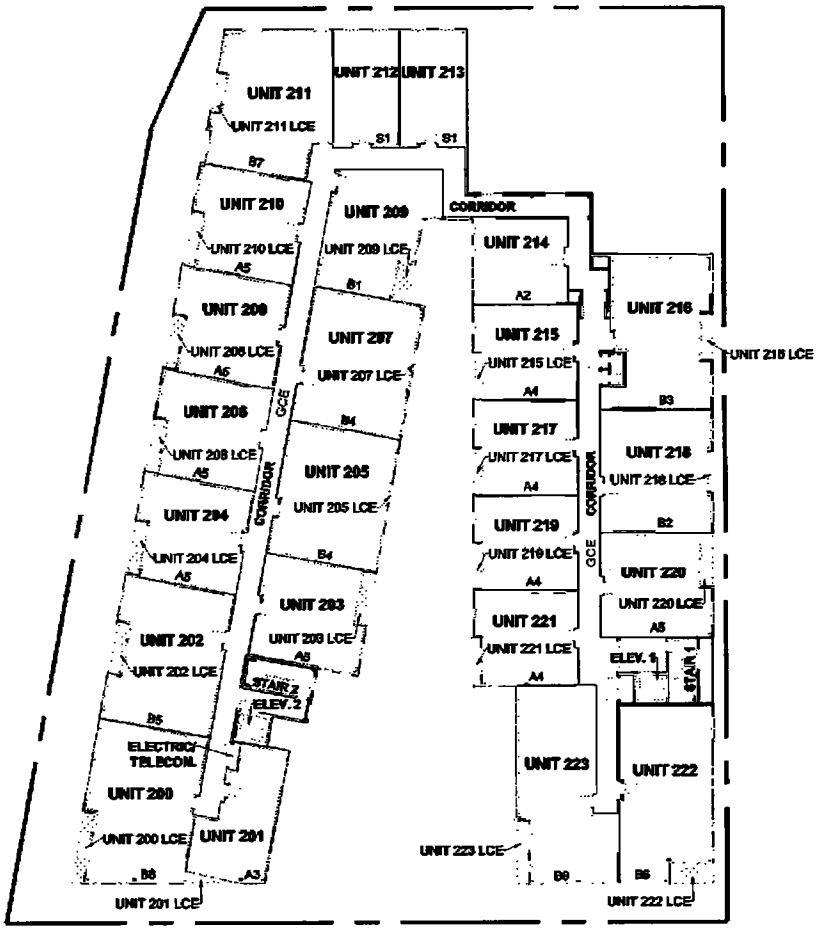
LEVEL 2



SCALE: 1" = 50'

BEARING BASIS & HORIZONTAL DATUM:

TEXAS STATE PLANE COORDINATES, GRID
NAD '83 (CENTRAL ZONE 4203)



1200 W 25TH ST.
AUSTIN,TX 78705

JULY, 2020

PROJECT NO. 501-084

WUEST GROUP

ENGINEERING & SURVEYING

TBPLS FIRM # 10194507
TBPE FIRM # F-15324
5207 AIRPORT BLVD.
AUSTIN, TEXAS 78751
(512)394-1900

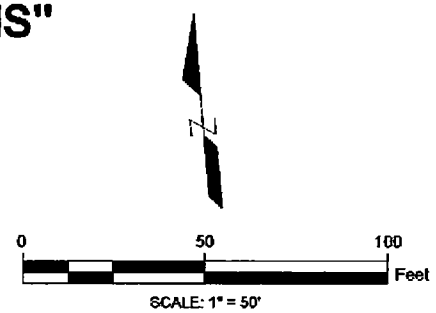
SHEET
7 OF 30

TRAVIS COUNTY, TEXAS
JAMES ROGERS SURVEY #6, A-550

"CASCADE CONDOMINIUMS"

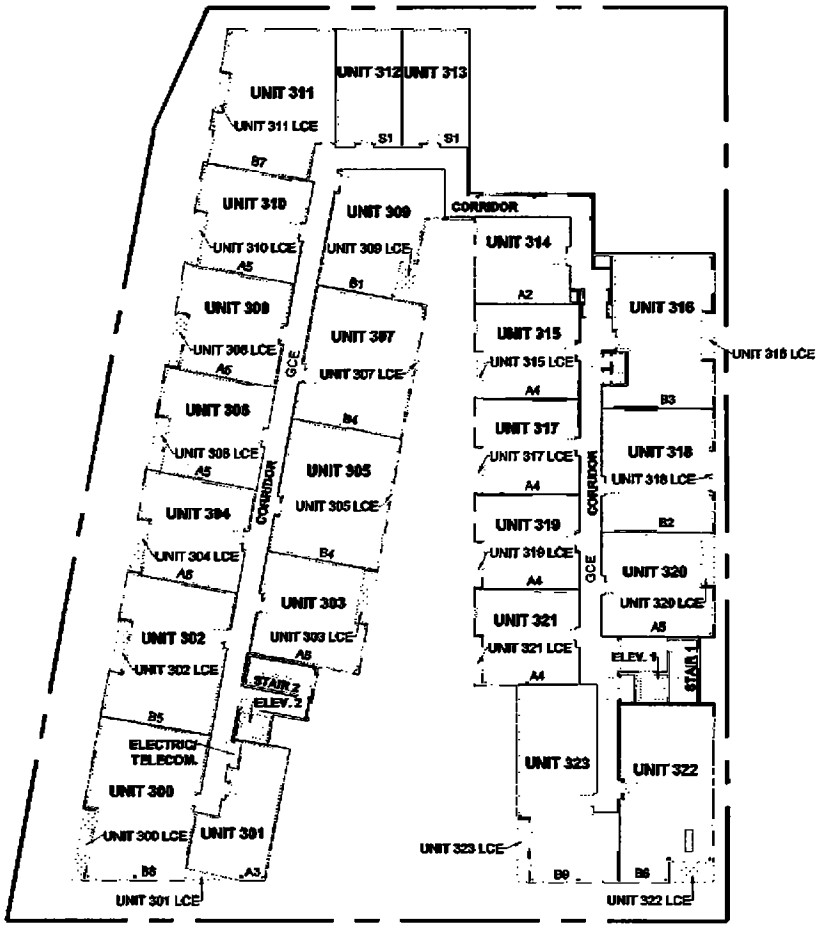
CONDOMINIUM PLAT AND PLANS

LEVEL 3



BEARING BASIS & HORIZONTAL DATUM:

TEXAS STATE PLANE COORDINATES, GRID
NAD '83 (CENTRAL ZONE 4203)



1200 W 25TH ST.
AUSTIN,TX 78705
JULY, 2020
PROJECT NO. 501-084

WUEST GROUP
ENGINEERING & SURVEYING
TBPLS FIRM # 10194507
TBPE FIRM # F-15324
5207 AIRPORT BLVD.
AUSTIN, TEXAS 78751
(512)394-1900

Drawing: G:\0137 LDC\005 2501 N Lamar\Survey\CAD\2020\Condo Docs\8_Cascade-Condominiums_Level 3.dwg Last Plotted: Tue Sep 22, 2020 - 10:44am By: Michael

TRAVIS COUNTY, TEXAS
JAMES ROGERS SURVEY #6, A-560

"CASCADE CONDOMINIUMS"

CONDOMINIUM PLAT AND PLANS

LEVEL 4

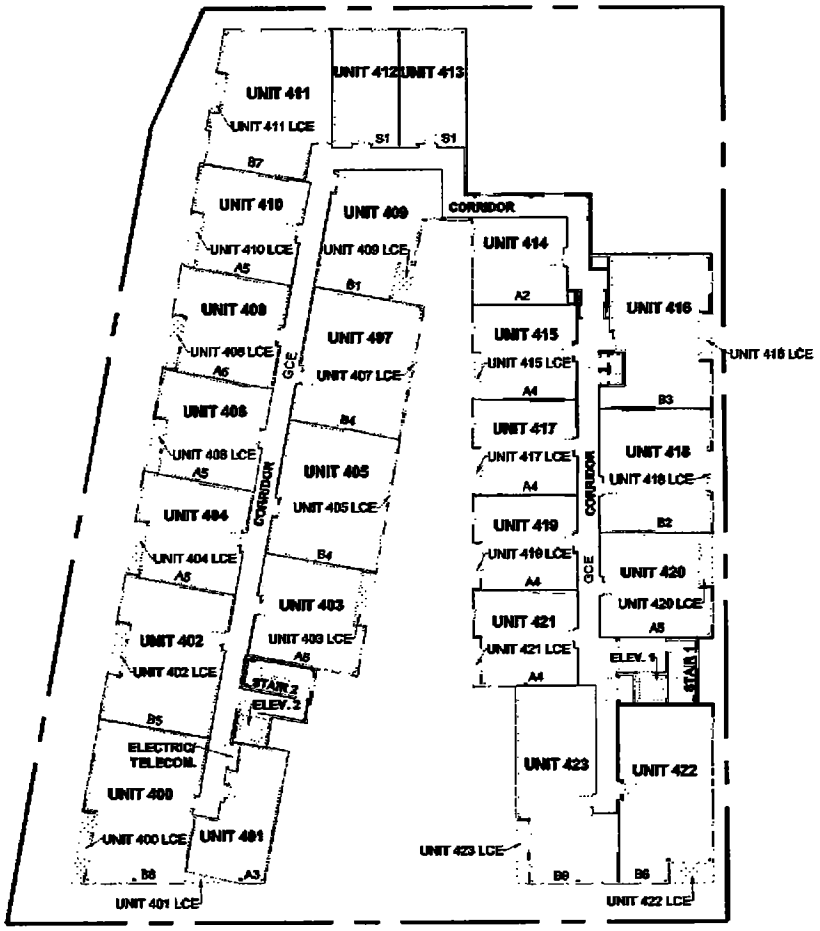
N

0 50 100 Feet

SCALE: 1" = 50'

BEARING BASIS & HORIZONTAL DATUM:

TEXAS STATE PLANE COORDINATES, GRID
NAD '83 (CENTRAL ZONE 4203)



1200 W 25TH ST.
AUSTIN,TX 78705

JULY, 2020

PROJECT NO. 501-084

WUEST GROUP
ENGINEERING & SURVEYING
TBPLS FIRM # 10194507
TBPE FIRM # F-15324
5207 AIRPORT BLVD.
AUSTIN, TEXAS 78751
(512)394-1900

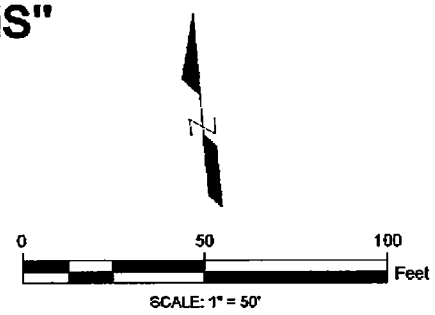
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TRAVIS COUNTY, TEXAS
JAMES ROGERS SURVEY #6, A-660

"CASCADE CONDOMINIUMS"

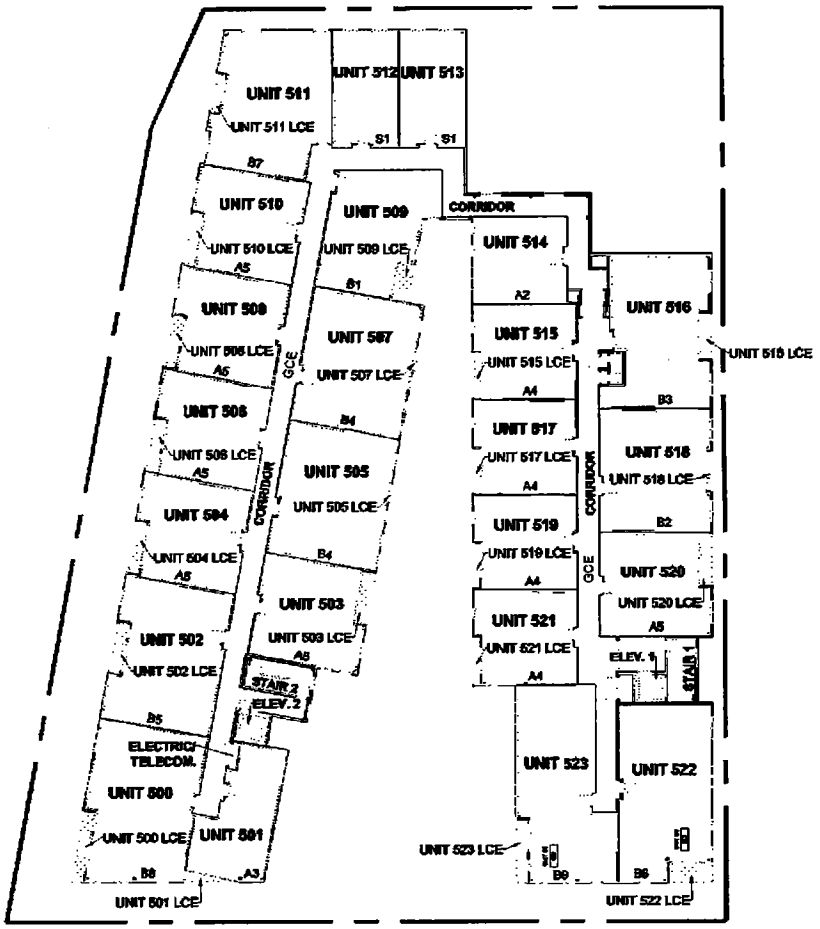
CONDOMINIUM PLAT AND PLANS

LEVEL 5



BEARING BASIS & HORIZONTAL DATUM:

TEXAS STATE PLANE COORDINATES, GRID
NAD '83 (CENTRAL ZONE 4203)



1200 W 25TH ST.
AUSTIN,TX 78705
JULY, 2020
PROJECT NO. 501-084

WUEST GROUP
ENGINEERING & SURVEYING
TBPLS FIRM # 10194507
TBPE FIRM # F-15324
5207 AIRPORT BLVD.
AUSTIN, TEXAS 78751
(512)394-1900

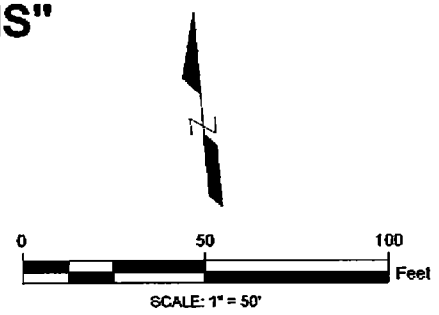
SHEET
10 OF 30

TRAVIS COUNTY, TEXAS
JAMES ROGERS SURVEY #6, A-660

"CASCADE CONDOMINIUMS"

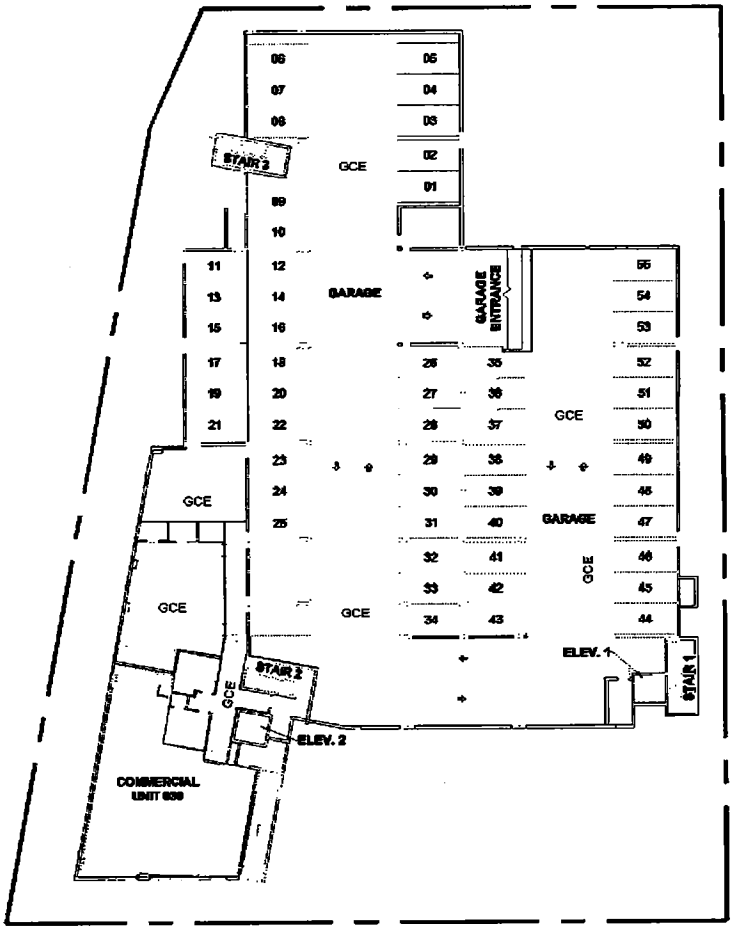
CONDOMINIUM PLAT AND PLANS

LOWER LEVEL 1



BEARING BASIS & HORIZONTAL DATUM:

TEXAS STATE PLANE COORDINATES, GRID
NAD '83 (CENTRAL ZONE 4203)



1200 W 25TH ST.
AUSTIN,TX 78705

JULY, 2020

PROJECT NO. 501-084

WUEST GROUP
ENGINEERING & SURVEYING
TBPLS FIRM # 10194507
TBPE FIRM # F-15324
5207 AIRPORT BLVD.
AUSTIN, TEXAS 78751
(512)394-1900

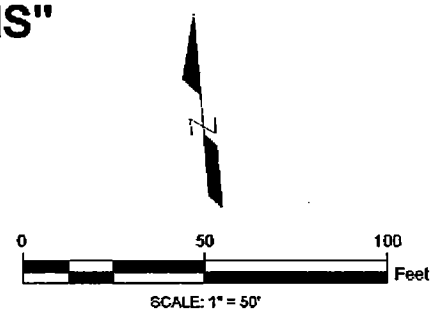
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TRAVIS COUNTY, TEXAS
JAMES ROGERS SURVEY #6, A-560

"CASCADE CONDOMINIUMS"

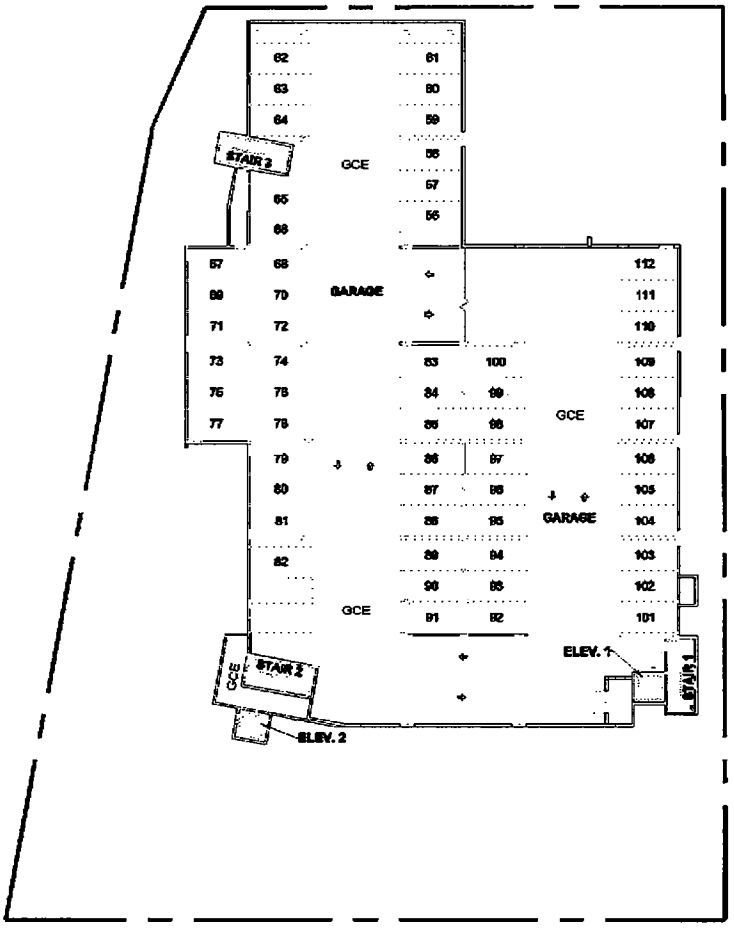
CONDOMINIUM PLAT AND PLANS

LOWER LEVEL 2



BEARING BASIS & HORIZONTAL DATUM:

TEXAS STATE PLANE COORDINATES, GRID
NAD '83 (CENTRAL ZONE 4203)



1200 W 25TH ST.
AUSTIN,TX 78705
JULY, 2020
PROJECT NO. 501-084

WUEST GROUP
ENGINEERING & SURVEYING
TBPLS FIRM # 10194507
TBPE FIRM # F-15324
5207 AIRPORT BLVD.
AUSTIN, TEXAS 78751
(512)394-1900

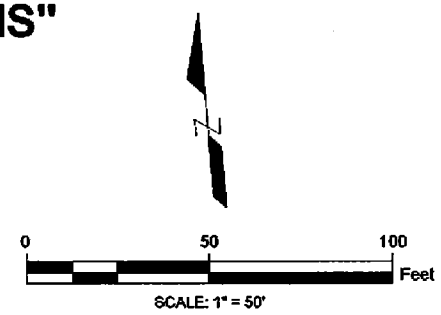
SHEET
12 OF 30

TRAVIS COUNTY, TEXAS
JAMES ROGERS SURVEY #6, A-660

"CASCADE CONDOMINIUMS"

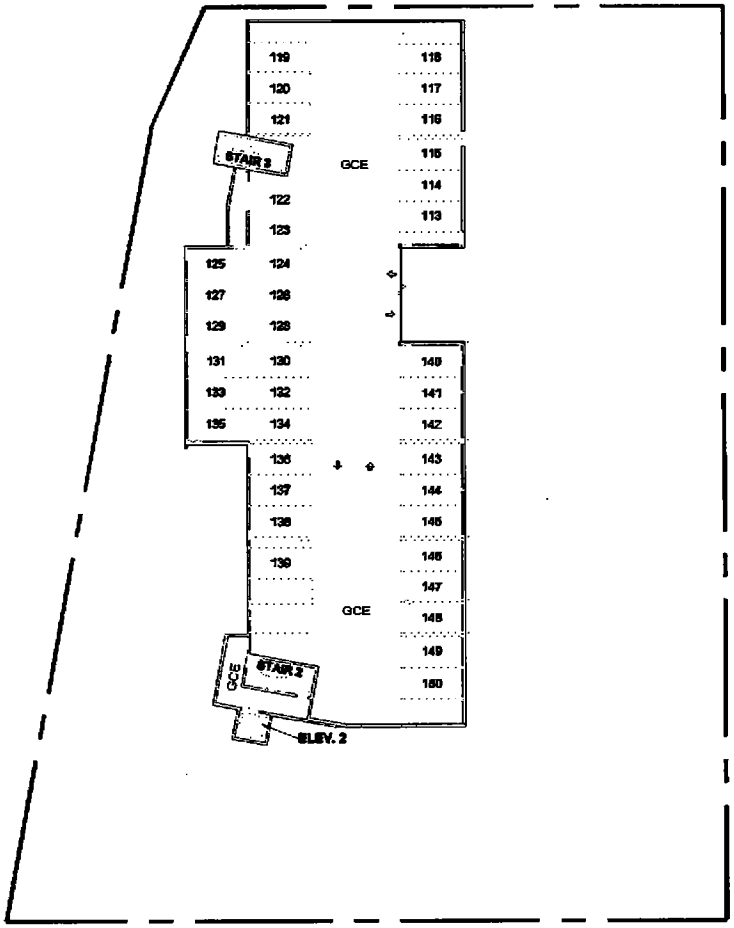
CONDOMINIUM PLAT AND PLANS

LOWER LEVEL 3



BEARING BASIS & HORIZONTAL DATUM:

TEXAS STATE PLANE COORDINATES, GRID
NAD '83 (CENTRAL ZONE 4203)



1200 W 25TH ST.
AUSTIN,TX 78705

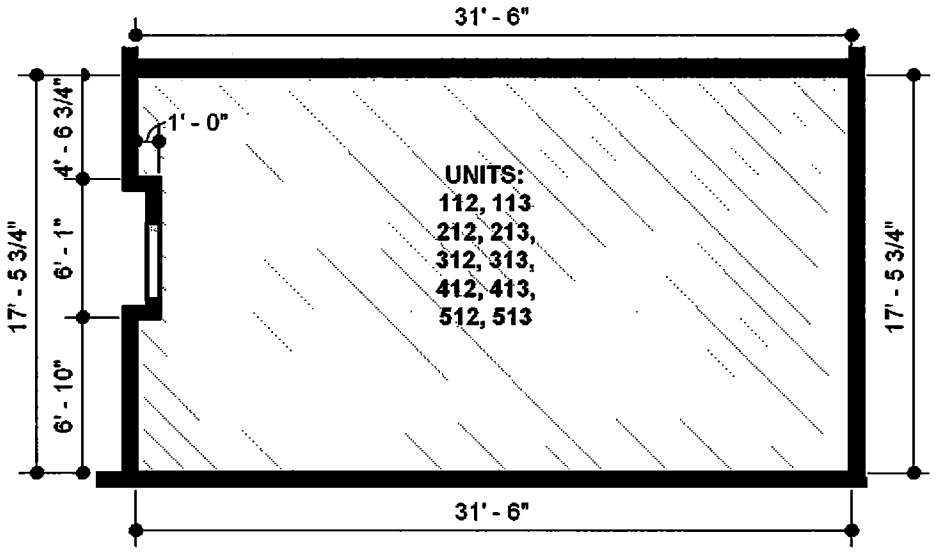
JULY, 2020

PROJECT NO. 501-084

WUEST GROUP
ENGINEERING & SURVEYING
TBPLS FIRM # 10194507
TBPE FIRM # F-15324
5207 AIRPORT BLVD.
AUSTIN, TEXAS 78751
(512)394-1900

Drawing: G:\0137 LDC\005 2501 N Lamar\Survey\CAD\2020\Condo Docs\13_Cascade-Condominiums_LowerLevel 3.dwg Last Plotted: Tue Sep 22, 2020 - 10:57am By: Michael

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1 UNIT S1 TYPE A
1/8" = 1'-0"

AREA: 572 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

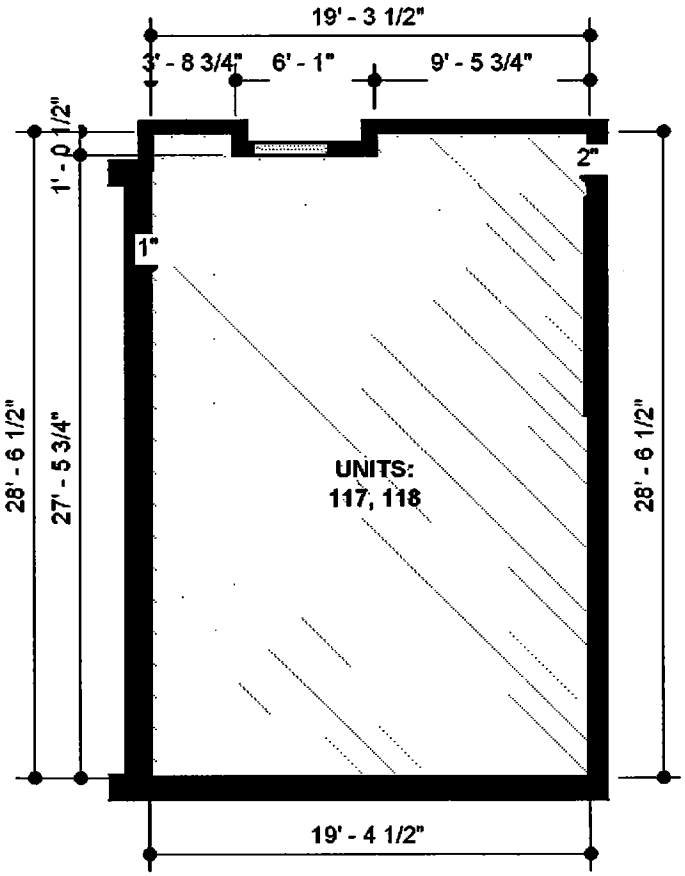
SHEET NUMBER:
14 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

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① UNIT A1
1/8" = 1'-0"

AREA: 582 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

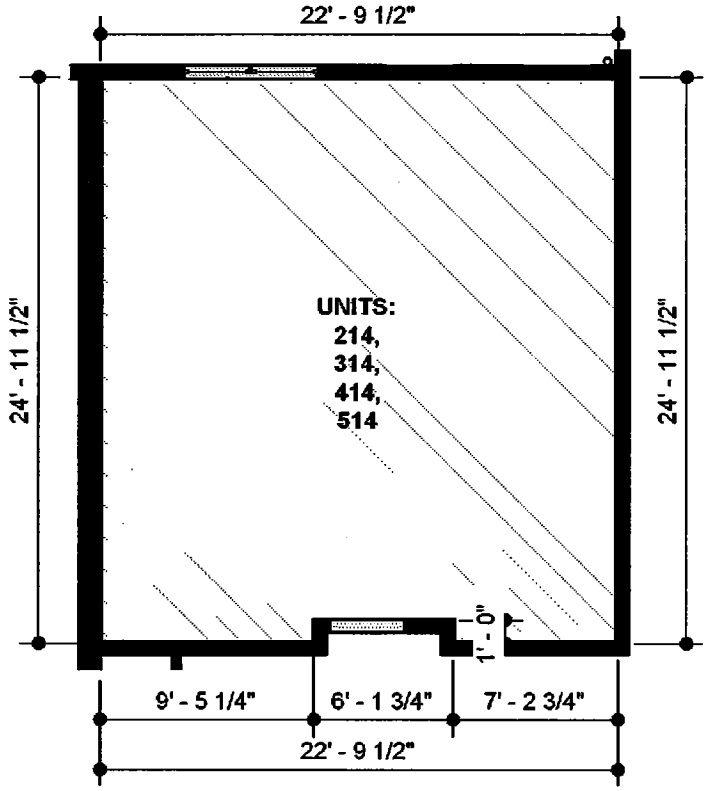
SHEET NUMBER:
15 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

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1 UNIT A2
1/8" = 1'-0"

AREA: 600 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

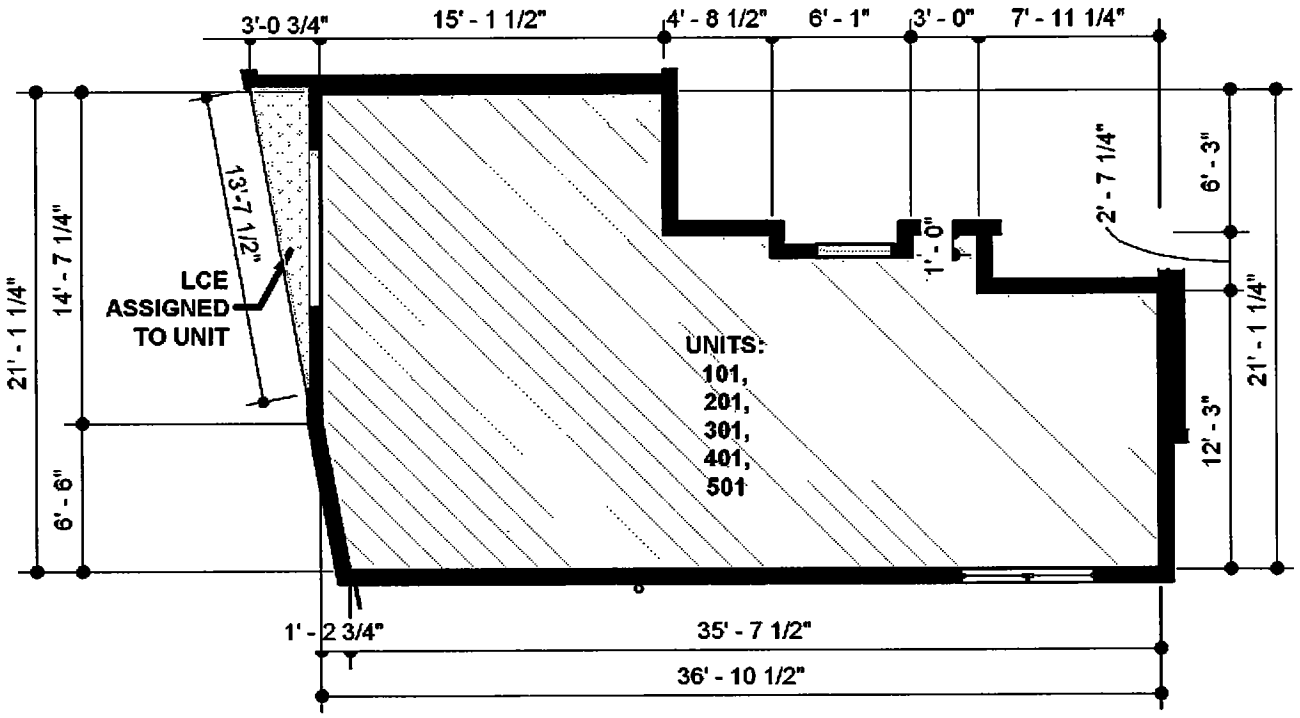
SHEET NUMBER:
16 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

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① UNIT A3
1/8" = 1'-0"

AREA: 683 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

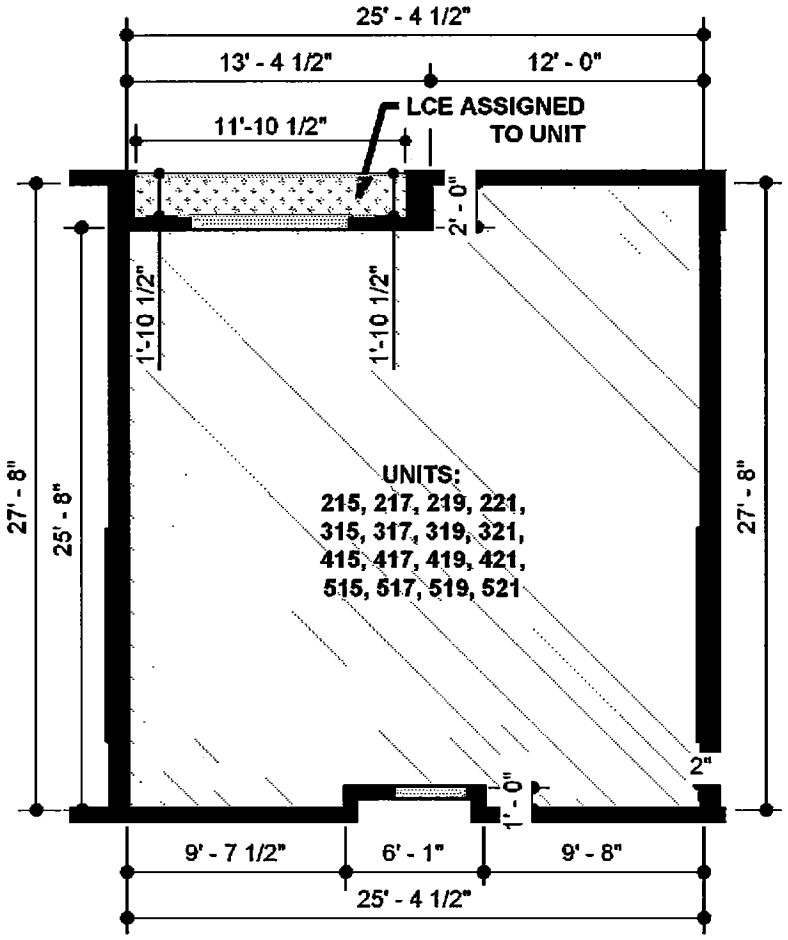
SHEET NUMBER:
17 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

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1 UNIT A4 - TYPE A
1/8" = 1'-0"

AREA: 710 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

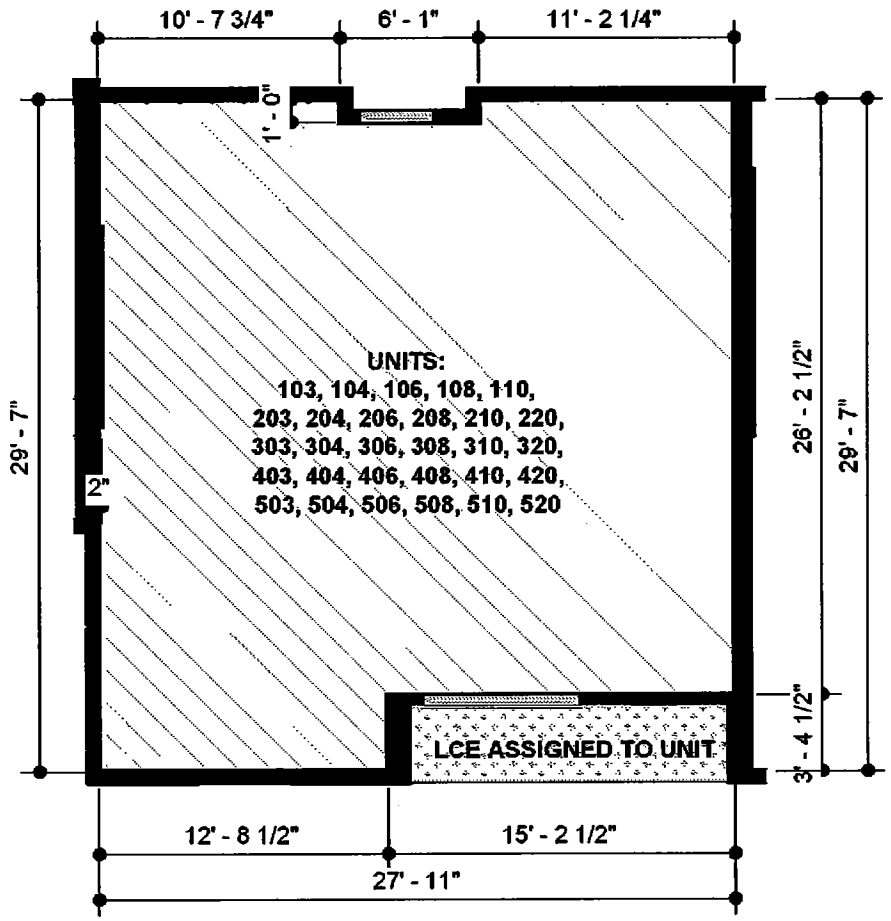
SHEET NUMBER:
18 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

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① UNIT A5 - TYPE A
1/8" = 1'-0"

AREA: 818 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

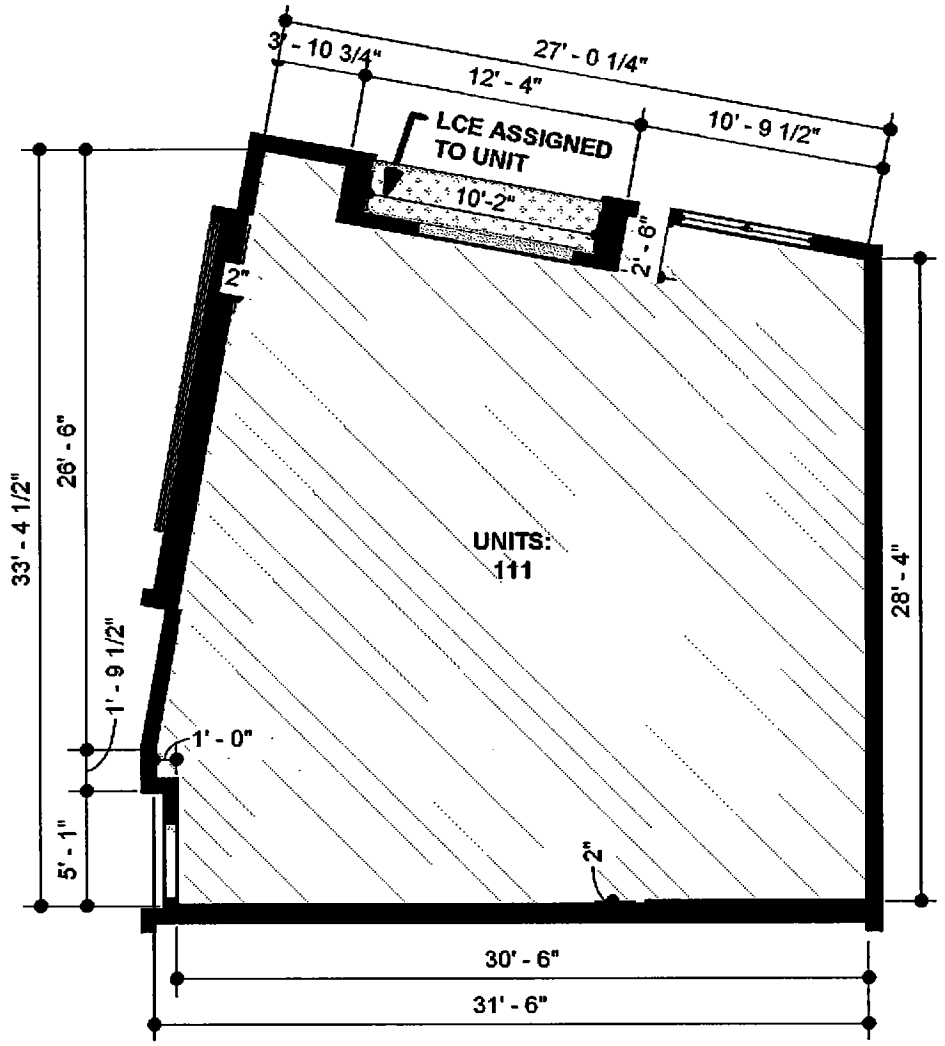
SHEET NUMBER:
19 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

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1 UNIT A6
1/8" = 1'-0"

AREA: 914 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

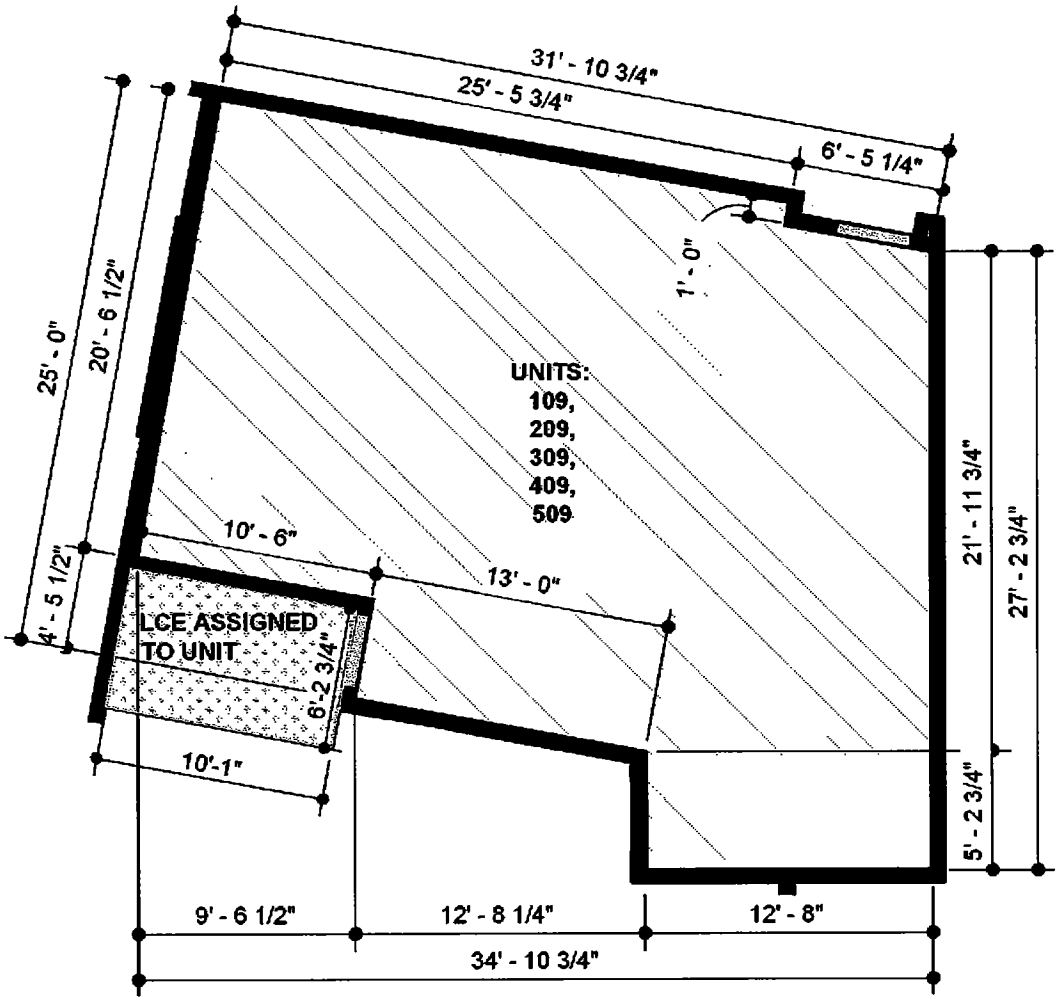
SHEET NUMBER:
20 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

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① UNIT B1
1/8" = 1'-0"

AREA: 901 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

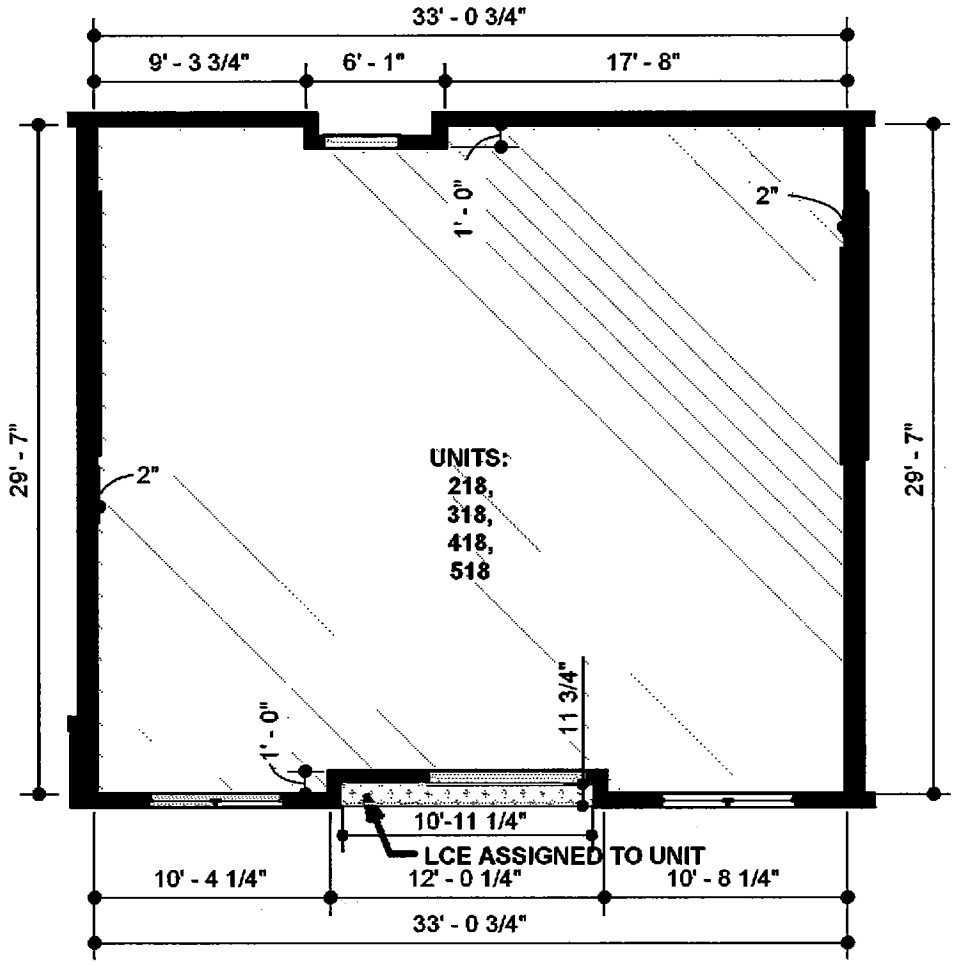
SHEET NUMBER:
21 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

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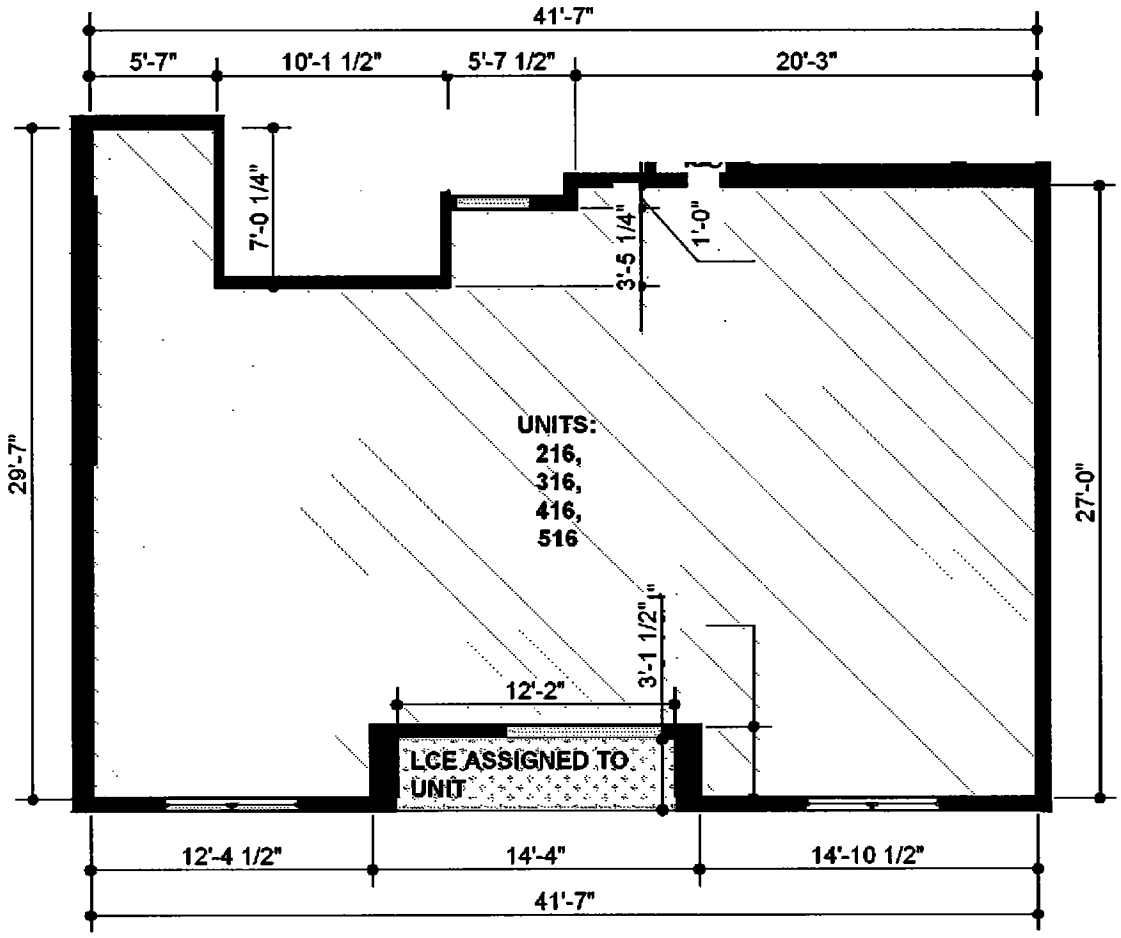
① UNIT B2
1/8" = 1'-0"

AREA: 1010 SF

PROJECT NAME: **CASCADE CONDOMINIUMS**	SHEET NUMBER: **22 of 30**	CLIENT NAME: **2501 N. LAMAR, LLC**
PROJECT ADDRESS: **2500 LONGVIEW STREET** **AUSTIN, TX 78705**		DATE: **05/07/2020**

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① UNIT B3
1/8" = 1'-0"

AREA: 1107 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

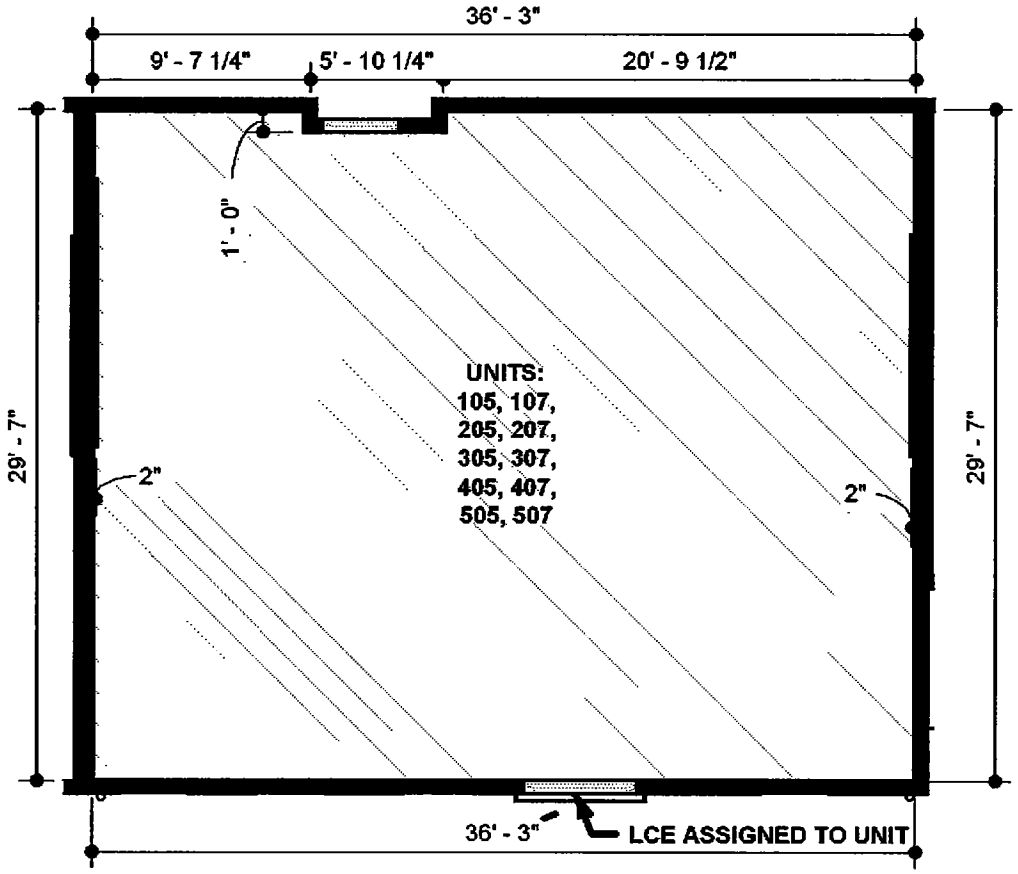
SHEET NUMBER:
23 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

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1 UNIT B4
1/8" = 1'-0"

AREA: 1119 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

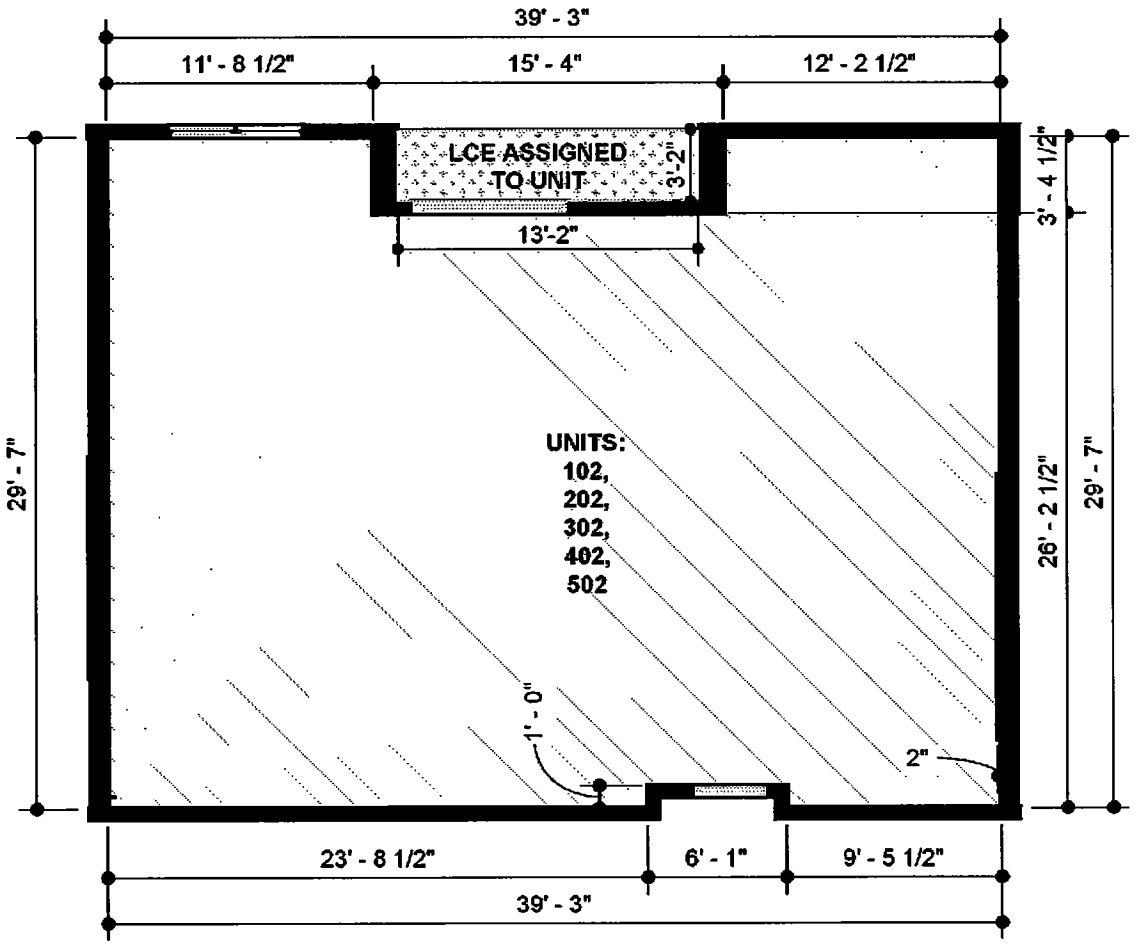
SHEET NUMBER:
24 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

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1 UNIT B5
1/8" = 1'-0"

AREA: 1161 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

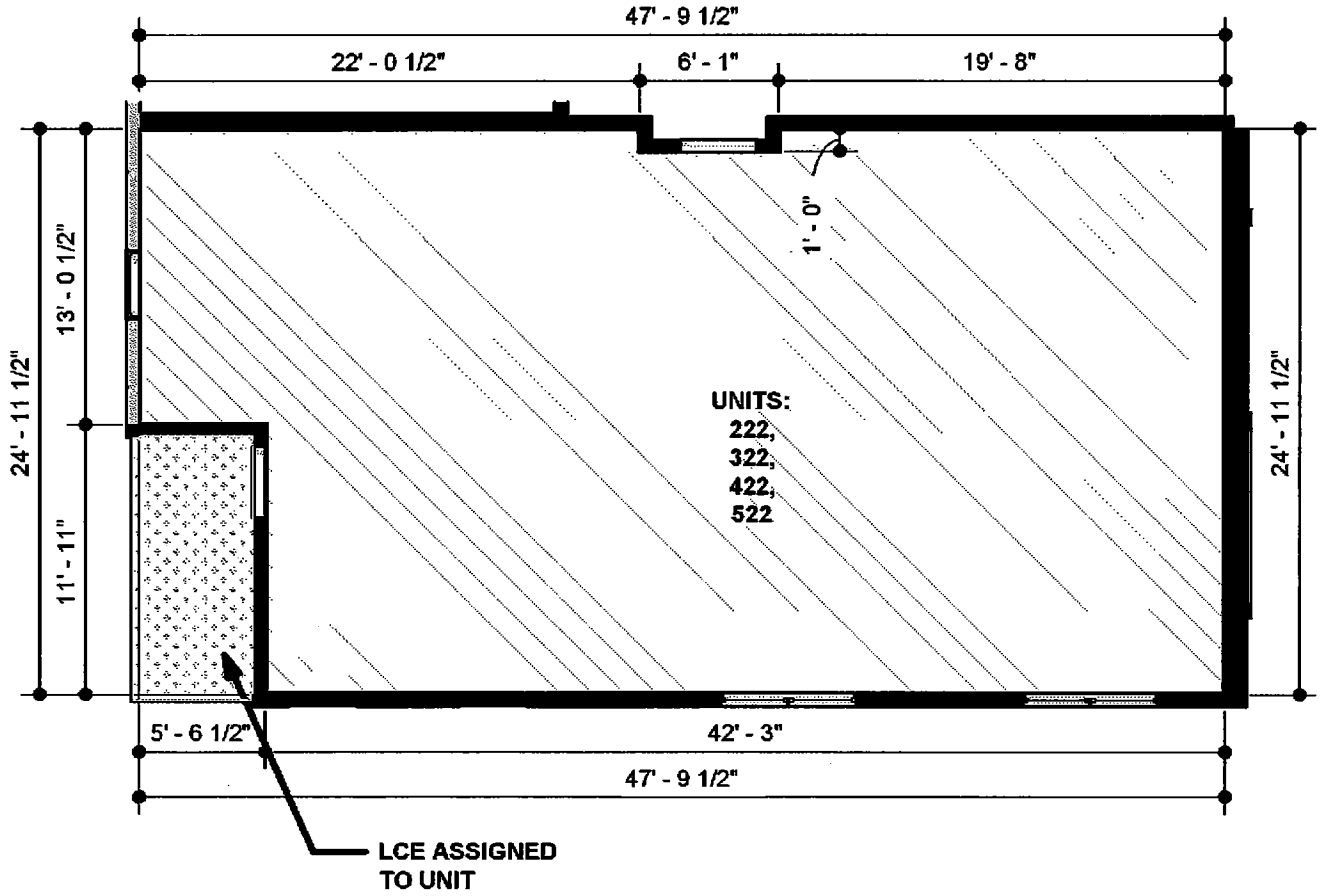
SHEET NUMBER:
25 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

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1 UNIT B6
1/8" = 1'-0"

AREA: 1176 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

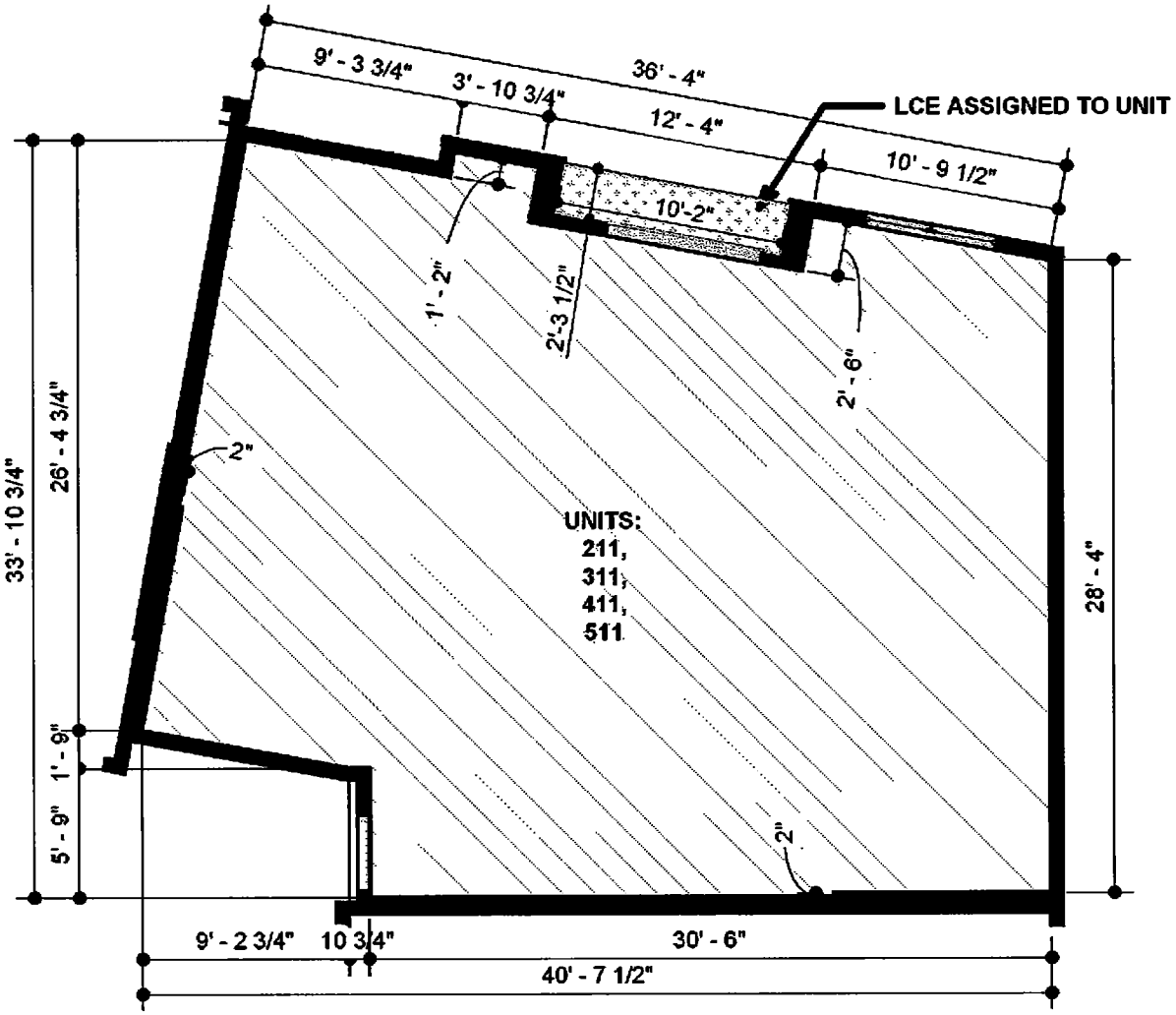
SHEET NUMBER:
26 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

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1 UNIT B7
1/8" = 1'-0"

AREA: 1185 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

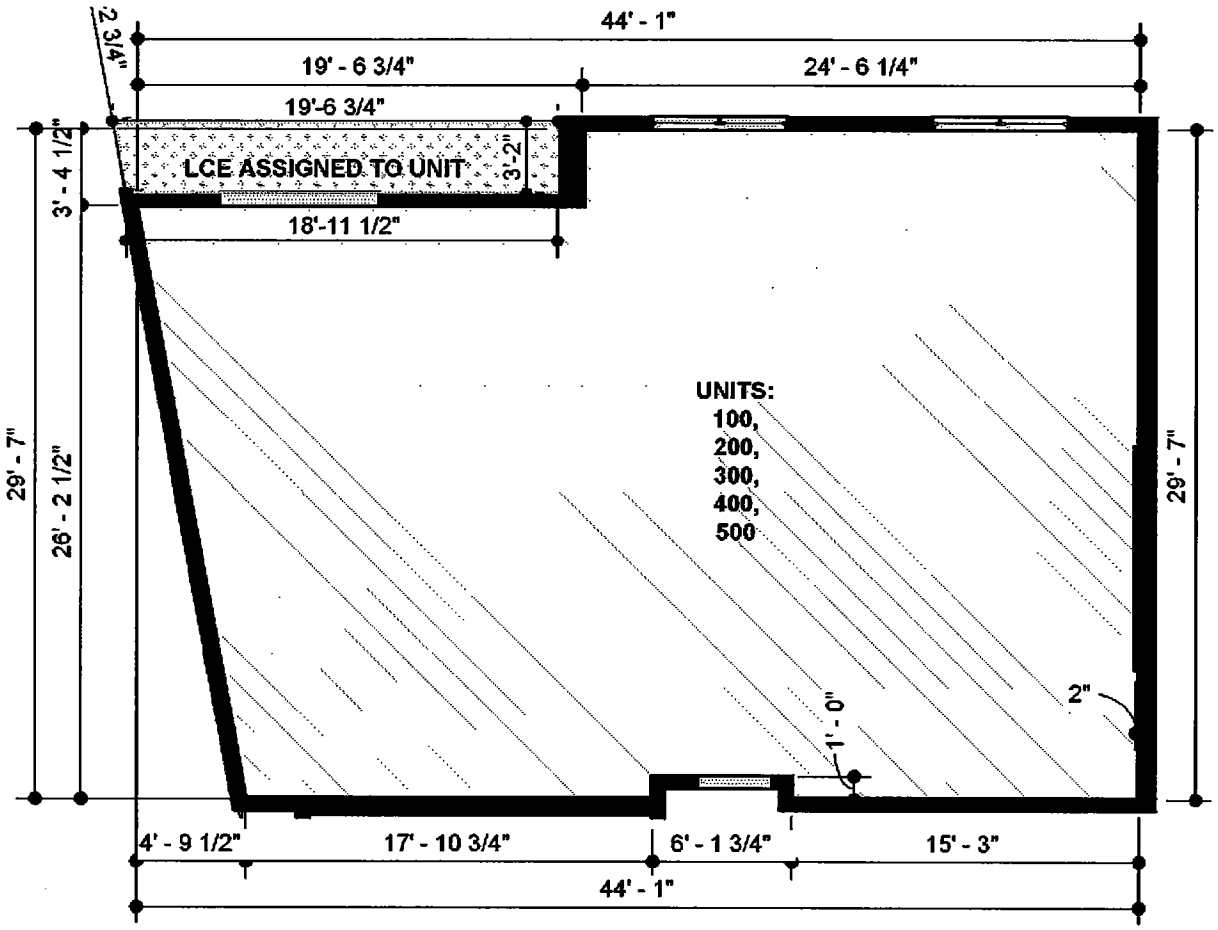
SHEET NUMBER:
27 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

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1 UNIT B8
1/8" = 1'-0"

AREA: 1229 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

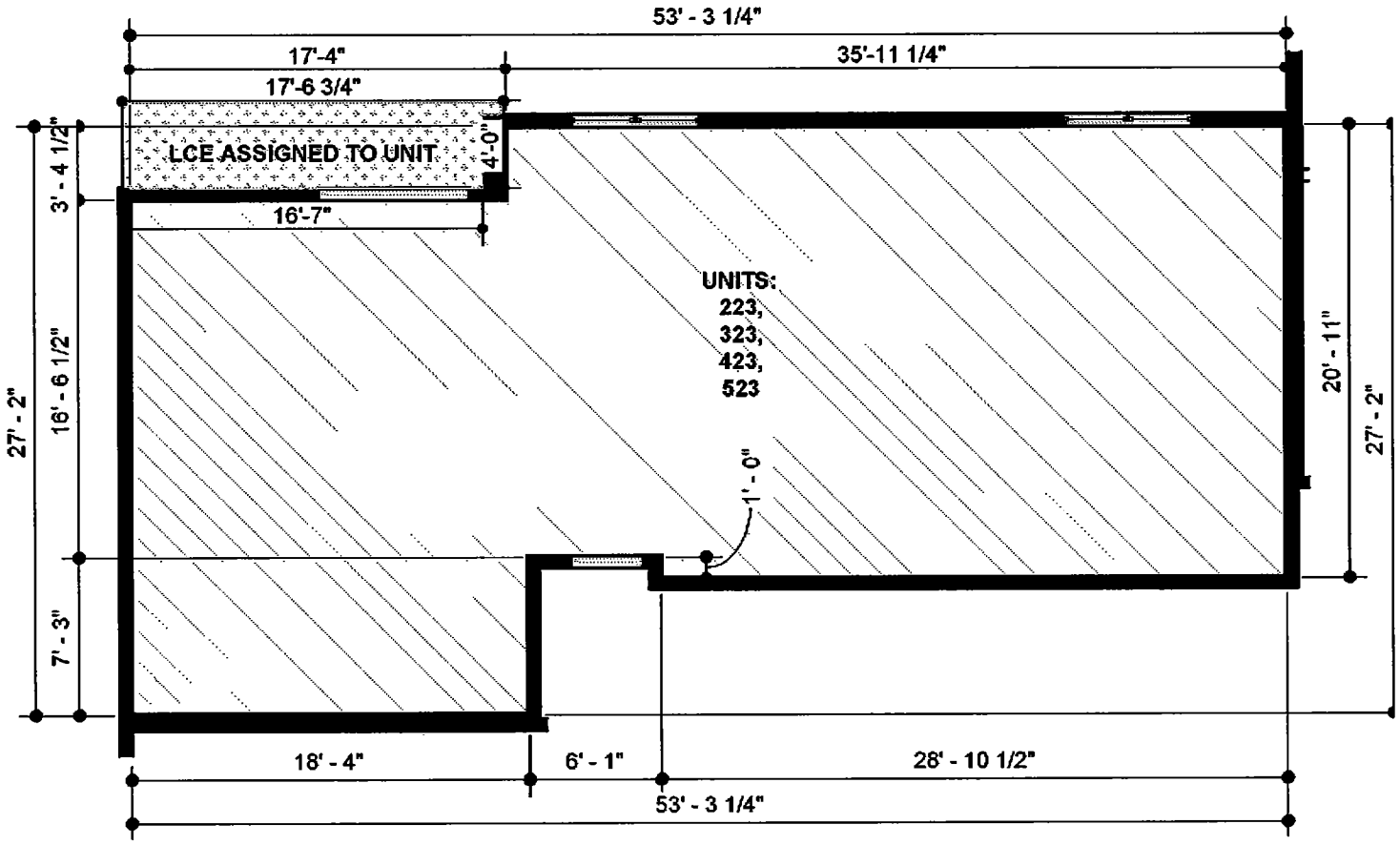
SHEET NUMBER:
28 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

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1 UNIT B9
1/8" = 1'-0"

AREA: 1233 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

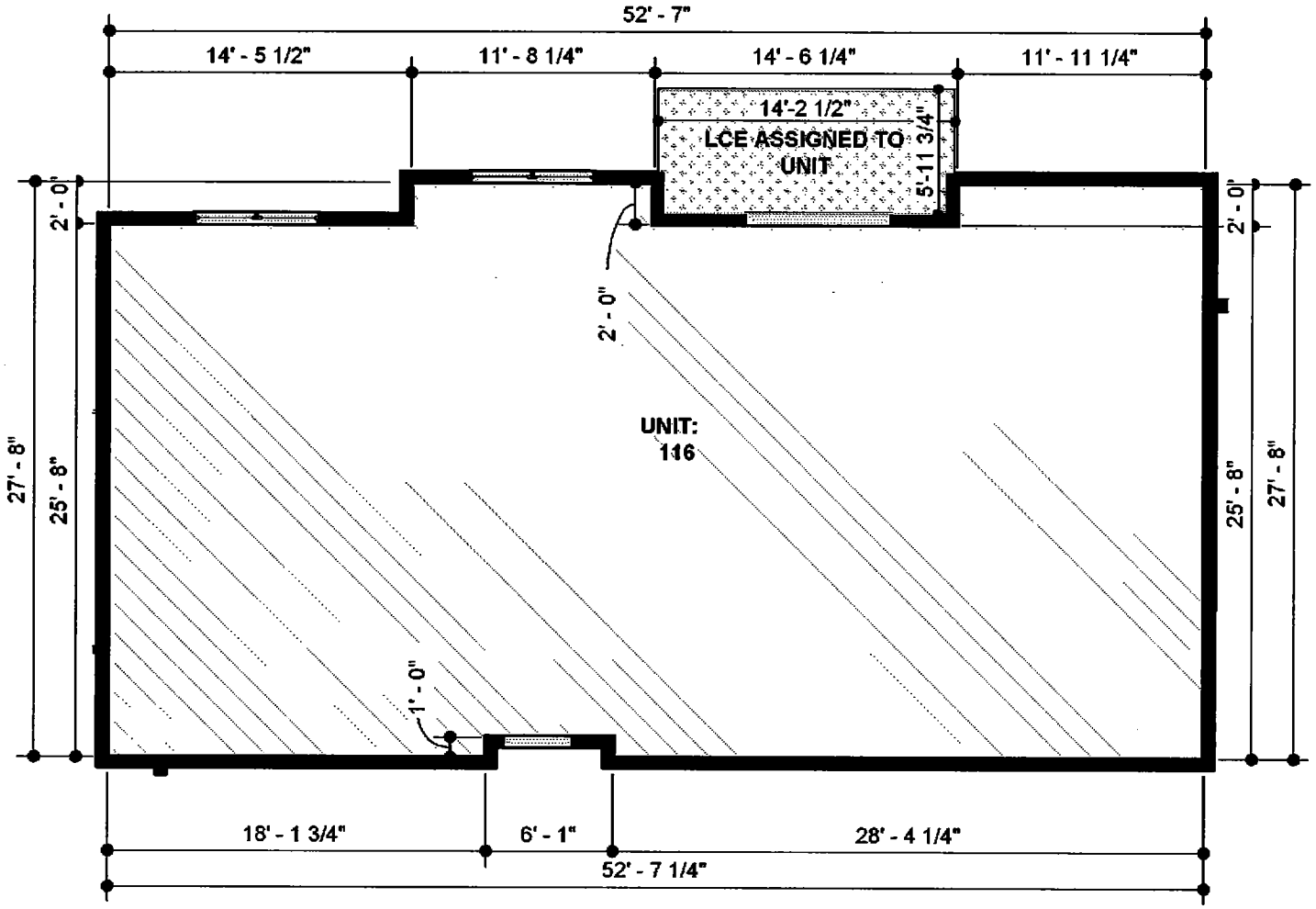
SHEET NUMBER:
29 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

MHA
MARK HART ARCHITECTURE

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① UNIT B10
1/8" = 1'-0"

AREA: 1461 SF

PROJECT NAME:
CASCADE CONDOMINIUMS

PROJECT ADDRESS:
2500 LONGVIEW STREET
AUSTIN, TX 78705

SHEET NUMBER:
30 of 30

CLIENT NAME:
2501 N. LAMAR, LLC

DATE:
05/07/2020

MHA
MARK HART ARCHITECTURE

TAX CERTIFICATE NO 2289811

Bruce Elfant
Travis County Tax Assessor-Collector
P.O. Box 1748
Austin, Texas 78767
(512) 854-9473

ACCOUNT NUMBER: 02-1400-0407-0000

PROPERTY OWNER:

2501 N LAMAR LLC
2906 MEDICAL ARTS ST
AUSTIN, TX 78705-3324

PROPERTY DESCRIPTION:

LOT 1-5 BLK 4 OLT 43 DIVISION D

ACRES .9890 MIN% .000000000000 TYPE

SITUS INFORMATION: 1200 W 25 ST

This is to certify that after a careful check of tax records of this office, the following taxes, delinquent taxes, penalties and interests are due on the described property of the following tax unit(s):

YEAR	ENTITY	TOTAL
2021	AUSTIN ISD	*ALL PAID*
	CITY OF AUSTIN (TRAV)	*ALL PAID*
	TRAVIS COUNTY	*ALL PAID*
	TRAVIS CENTRAL HEALTH	*ALL PAID*
	ACC (TRAVIS)	*ALL PAID*
TOTAL SEQUENCE 0		*ALL PAID*

TOTAL TAX:	*ALL PAID*
UNPAID FEES:	* NONE *
INTEREST ON FEES:	* NONE *
COMMISSION:	* NONE *
TOTAL DUE ==>	*ALL PAID*

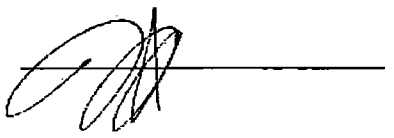
TAXES PAID FOR YEAR 2021 $72,506.54

ALL TAXES PAID IN FULL PRIOR TO AND INCLUDING THE YEAR 2021 EXCEPT FOR UNPAID YEARS LISTED ABOVE.
The above described property may be subject to special valuation based on its use, and additional rollback taxes may become due. (Section 23.55, State Property Tax Code).
Pursuant to Section 31.08 of the State Property Tax Code, there is a fee of $10.00 for all Tax Certificates.

GIVEN UNDER MY HAND AND SEAL OF OFFICE ON THIS DATE OF 12/02/2021

Fee Paid: $10.00

Bruce Elfant
Tax Assessor-Collector

By: 

ALEMANJ3 printed on 12/02/2021 @ 08:49:26:43 Page# 1

EXHIBIT "C"

ENCUMBRANCES

1. Restrictive covenants of record recorded in/under Document No. 2018029955 and Document No. 2020000745 in the Official Public Records of Travis County, Texas, and Volume 1, Page 12, Map/Plat Records of Travis County, Texas.

2. A sanitary sewer easement granted to the City of Austin, as set forth in Volume 305, Page 84, in the Official Public Records of Travis County, Texas.

3. An electric/telephone easement granted to the City of Austin, as set forth in Volume 2041, Page 213, in the Official Public Records of Travis County, Texas.

4. An Electric Utility Easement, Right of Way and/or Agreement by and between 2501 N. Lamar LLC and City of Austin, recorded in/under Document No. 2019202835, in the Official Public Records of Travis County, Texas.

5. Sidewalk Easement, Right of Way and/or Agreement by and between 2501 N. Lamar LLC and City of Austin, recorded in/under Document No. 2020000746 in the Official Public Records of Travis County, Texas, as affected by Document No. 2020144290 in the Official Public Records of Travis County, Texas.

6. Grant of Easement and Assignment of Lease Agreement by and between Global Signal Acquisitions IVLLC and 2501 N. Lamar LLC, recorded in/under Document No. 2020055867, in the Official Public Records of Travis County, Texas.

EXHIBIT "D"

COMMON INTEREST ALLOCATION AND COMMON EXPENSE LIABILITY

Any obligations or rights, including assessment charges or credits calculated or determined based on the Common Interest Allocation or Common Expense Liability 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 AND COMMON EXPENSE LIABILITY ASSIGNED TO A PARTICULAR UNIT WILL CHANGE IF ADDITIONAL UNITS ARE CREATED AND ADDED TO THE REGIME BY DECLARANT.

Unit Number	Standard or Non-Standard Unit	Common Interest Allocation	Common Expense Liability
Commercial Unit 030	Standard Commercial Unit	1.672%	1.732%
Commercial Unit 130	Standard Commercial Unit	1.862%	1.928%
Unit 100	Standard Unit	1.178%	1.220%
Unit 101	Standard Unit	0.655%	0.678%
Unit 102	Standard Unit	1.113%	1.153%
Unit 103	Standard Unit	0.784%	0.812%
Unit 104	Standard Unit	0.784%	0.812%
Unit 105	Standard Unit	1.072%	1.111%
Unit 106	Standard Unit	0.784%	0.812%
Unit 107	Standard Unit	1.072%	1.111%
Unit 108	Standard Unit	0.784%	0.812%
Unit 109	Non-Standard Unit	0.863%	0.417%
Unit 110	Standard Unit	0.784%	0.812%
Unit 111	Standard Unit	0.876%	0.908%
Unit 112	Standard Unit	0.548%	0.568%
Unit 113	Non-Standard Unit	0.548%	0.417%
Unit 116	Standard Unit	1.401%	1.451%
Unit 117	Non-Standard Unit	0.558%	0.417%
Unit 118	Non-Standard Unit	0.558%	0.417%

Unit 200	Standard Unit	1.178%	1.220%
Unit 201	Standard Unit	0.655%	0.678%
Unit 202	Standard Unit	1.113%	1.153%
Unit 203	Standard Unit	0.784%	0.812%
Unit 204	Standard Unit	0.784%	0.812%
Unit 205	Standard Unit	1.072%	1.111%
Unit 206	Standard Unit	0.784%	0.812%
Unit 207	Standard Unit	1.072%	1.111%
Unit 208	Standard Unit	0.784%	0.812%
Unit 209	Non-Standard Unit	0.863%	0.417%
Unit 210	Standard Unit	0.784%	0.812%
Unit 211	Standard Unit	1.136%	1.176%
Unit 212	Standard Unit	0.548%	0.568%
Unit 213	Standard Unit	0.548%	0.568%
Unit 214	Non-Standard Unit	0.575%	0.417%
Unit 215	Standard Unit	0.681%	0.705%
Unit 216	Standard Unit	1.061%	1.099%
Unit 217	Standard Unit	0.681%	0.705%
Unit 218	Standard Unit	0.968%	1.002%
Unit 219	Standard Unit	0.681%	0.705%
Unit 220	Standard Unit	0.784%	0.812%
Unit 221	Standard Unit	0.681%	0.705%
Unit 222	Standard Unit	1.127%	1.167%
Unit 223	Standard Unit	1.182%	1.224%
Unit 300	Standard Unit	1.178%	1.220%
Unit 301	Standard Unit	0.655%	0.678%
Unit 302	Standard Unit	1.113%	1.153%
Unit 303	Standard Unit	0.784%	0.812%
Unit 304	Standard Unit	0.784%	0.812%
Unit 305	Standard Unit	1.072%	1.111%
Unit 306	Standard Unit	0.784%	0.812%
Unit 307	Standard Unit	1.072%	1.111%
Unit 308	Standard Unit	0.784%	0.812%
Unit 309	Non-Standard Unit	0.863%	0.417%
Unit 310	Standard Unit	0.784%	0.812%
Unit 311	Standard Unit	1.136%	1.176%

Unit 312	Standard Unit	0.548%	0.568%
Unit 313	Standard Unit	0.548%	0.568%
Unit 314	Non-Standard Unit	0.575%	0.417%
Unit 315	Standard Unit	0.681%	0.705%
Unit 316	Standard Unit	1.061%	1.099%
Unit 317	Standard Unit	0.681%	0.705%
Unit 318	Standard Unit	0.968%	1.002%
Unit 319	Standard Unit	0.681%	0.705%
Unit 320	Standard Unit	0.784%	0.812%
Unit 321	Standard Unit	0.681%	0.705%
Unit 322	Standard Unit	1.127%	1.167%
Unit 323	Standard Unit	1.182%	1.224%
Unit 400	Standard Unit	1.178%	1.220%
Unit 401	Standard Unit	0.655%	0.678%
Unit 402	Standard Unit	1.113%	1.153%
Unit 403	Standard Unit	0.784%	0.812%
Unit 404	Standard Unit	0.784%	0.812%
Unit 405	Standard Unit	1.072%	1.111%
Unit 406	Standard Unit	0.784%	0.812%
Unit 407	Standard Unit	1.072%	1.111%
Unit 408	Standard Unit	0.784%	0.812%
Unit 409	Non-Standard Unit	0.863%	0.417%
Unit 410	Standard Unit	0.784%	0.812%
Unit 411	Standard Unit	1.136%	1.176%
Unit 412	Standard Unit	0.548%	0.568%
Unit 413	Standard Unit	0.548%	0.568%
Unit 414	Non-Standard Unit	0.575%	0.417%
Unit 415	Standard Unit	0.681%	0.705%
Unit 416	Standard Unit	1.061%	1.099%
Unit 417	Standard Unit	0.681%	0.705%
Unit 418	Standard Unit	0.968%	1.002%
Unit 419	Standard Unit	0.681%	0.705%
Unit 420	Standard Unit	0.784%	0.812%
Unit 421	Standard Unit	0.681%	0.705%
Unit 422	Standard Unit	1.127%	1.167%
Unit 423	Standard Unit	1.182%	1.224%

Unit 500	Standard Unit	1.178%	1.220%
Unit 501	Standard Unit	0.655%	0.678%
Unit 502	Standard Unit	1.113%	1.153%
Unit 503	Standard Unit	0.784%	0.812%
Unit 504	Standard Unit	0.784%	0.812%
Unit 505	Standard Unit	1.072%	1.111%
Unit 506	Standard Unit	0.784%	0.812%
Unit 507	Standard Unit	1.072%	1.111%
Unit 508	Standard Unit	0.784%	0.812%
Unit 509	Non-Standard Unit	0.863%	0.417%
Unit 510	Standard Unit	0.784%	0.812%
Unit 511	Standard Unit	1.136%	1.176%
Unit 512	Standard Unit	0.548%	0.568%
Unit 513	Standard Unit	0.548%	0.568%
Unit 514	Non-Standard Unit	0.575%	0.417%
Unit 515	Standard Unit	0.681%	0.705%
Unit 516	Standard Unit	1.061%	1.099%
Unit 517	Standard Unit	0.681%	0.705%
Unit 518	Standard Unit	0.968%	1.002%
Unit 519	Standard Unit	0.681%	0.705%
Unit 520	Standard Unit	0.784%	0.812%
Unit 521	Standard Unit	0.681%	0.705%
Unit 522	Standard Unit	1.127%	1.167%
Unit 523	Standard Unit	1.182%	1.224%

EXHIBIT "E"

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 "E" 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 "E" 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.
Common hallways and lobbies, exercise room, pool area, elevators.	All aspects.	None.
Windows.	Maintaining, repairing and replacing, as necessary, all exterior windows.	Periodic cleaning of exterior window surfaces bounded by a balcony within the Owner's Unit
Balconies.	Maintenance, repair, and replacement of structural components.	Maintenance, repair, and replacement of non-structural components and routine cleaning.
Heating and air conditioning systems, duct work, appliances and plumbing fixtures serving any portion of the Property.	All aspects.	None; however, expenses associated with repair of items serving the Owner's Unit exclusively shall be charged to the Owner as an Individual Assessment.

COMPONENT OF REGIME	ASSOCIATION RESPONSIBILITY	OWNER RESPONSIBILITY
Chutes, flues, ducts, conduits, wires, pipes, chases or other apparatus located in the Common Elements.	All aspects.	None; however, expenses associated with repair of items serving the Owner's Unit exclusively shall be charged to the Owner as an Individual Assessment.
Trash chutes.	All aspects.	None.

EXHIBIT "F"
GUIDE TO ASSOCIATION'S MAJOR MANAGEMENT AND GOVERNANCE FUNCTIONS

This Guide lists several of the major management and governance functions of a typical residential development with a mandatory owners association. The Association's Board may, from time to time, use this Guide to consider what functions, if any, to delegate to one or more managers, managing agents, employees, or volunteers. Because laws and practices change over time, the Association and/or the Board should not use this Guide without taking account of applicable changes in law and practices.

MAJOR MANAGEMENT & GOVERNANCE FUNCTIONS	PERFORMED BY ASSOCIATION OFFICERS OR DIRECTORS	DELEGATED TO ASSOCIATION EMPLOYEE OR AGENT
FINANCIAL MANAGEMENT		
To adopt annual budget and levy assessments and collect certain charges and fees, per Declaration.		
Prepare annual operating budget, periodic operating statements, and year-end statement.		
Identify components of the property the Association is required to maintain. Estimate remaining useful life of each component. Estimate costs and schedule of major repairs and replacements, and develop replacement reserve schedule. Annually update same.		
Collect assessments and maintain Association accounts.		
Pay Association expenses and taxes.		
Obtain annual audit and income tax filing.		
Maintain fidelity bond on whomever handles		

MAJOR MANAGEMENT & GOVERNANCE FUNCTIONS	PERFORMED BY ASSOCIATION OFFICERS OR DIRECTORS	DELEGATED TO ASSOCIATION EMPLOYEE OR AGENT
Association funds.		
Report annually to members on financial status of Association.		
<u>PHYSICAL MANAGEMENT</u> Inspect, maintain, repair, and replace, as needed, all components of the property for which the Association has maintenance responsibility. Contract for services, as needed to operate or maintain the property. Prepare specifications and call for bids for major projects. Coordinate and supervise work on the property, as warranted.		
<u>ADMINISTRATIVE MANAGEMENT</u> Receive and respond to correspondence from owners, and assist in resolving owners' problems related to the Association. Conduct hearings with owners to resolve disputes or to enforce the governing documents. Obtain and supervise personnel and/or contracts needed to fulfill Association's functions. Schedule Association meetings and give owners timely notice of same.		

MAJOR MANAGEMENT & GOVERNANCE FUNCTIONS	PERFORMED BY ASSOCIATION OFFICERS OR DIRECTORS	DELEGATED TO ASSOCIATION EMPLOYEE OR AGENT
Schedule board meetings and give directors timely notice of same. Enforce the governing documents. Maintain insurance and bonds as required by the governing documents or state law, or as customary for similar types of property in the same geographic area. Maintain Association books, records, and files. Maintain Association's corporate charter and registered agent & address.		
<u>OVERALL FUNCTIONS</u> Promote harmonious relationships within the community. Protect and enhance property values in the community. Encourage compliance with governing documents and Applicable Laws and ordinances. Act as liaison between the community of owners and governmental, taxing, or regulatory bodies. Protect the Association and the property from loss and damage by lawsuit or otherwise.		

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 1.18* of this Declaration, means the five (5) 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 1.16* 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 and 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 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 and 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. Notwithstanding the foregoing, the expiration of the time period described above shall occur no later than five (5) years after the Declaration is Recorded.

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 working capital or 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 by phasing for 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 Travis County, Texas.

A.3.3. Creation of Units. When created, the Regime contains one-hundred thirteen (113) Residential Units and two (2) Commercial Units, for a total of one-hundred fifteen (115) Units; however, Declarant reserves the right to create up to and including one-hundred twenty (120) Residential or Commercial Units upon full buildout of all phases of the project which may include land added by the Declarant in accordance with *Section 4.1* of the Declaration. 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.

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 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; 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.

(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.

(x) For any other purpose, provided the amendment has no material adverse effect on any right of any owner.

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: (A) 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 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 (B) for marketing events, 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 this Declaration or governing Rules of the Association.

(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.

A.6. **Marketing Other Locations**. This Declaration grants to Declarant a number of significant rights to market the Units. Declarant hereby reserves for itself and its affiliates the right to use each and every such right and privilege for the additional purposes of promoting, identifying, and marketing off-site developments of Declarant or its affiliates for the duration of the Development Period, even though Declarant may have completed the marketing of Units. Additionally, Declarant – at Declarant's sole option and discretion – may extend the effect of this Section for up to 12 months after the end of the Development Period by paying the Association $1,000.00.

A.7. **Common Elements**. Because the Common Elements are owned by the Owners, collectively and in undivided interest, the Common Elements are not capable of being separately conveyed. The transfer of control of the Association at the end of the Declarant

Control Period is not a transfer of the ownership of the Common Elements. Because ownership of the Common Elements is not conveyed by Declarant to the Association, there is no basis for the popular misconception that Owners may "accept" or "refuse" the Common Elements.

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Rebecca Guerrero, County Clerk
Travis County, Texas
Mar 24, 2022 08:59 AM Fee: $50.00
2022053799
Electronically Recorded

FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS (the "Amendment") is made and executed by 2501 N LAMAR LLC, a Texas limited liability company (the "Owner"), the **ORIGINAL WEST UNIVERSITY NEIGHBORHOOD ASSOCIATION** ("OWUNA"), and, **HOMEBASE TEXAS**, a Texas nonprofit corporation (the "HomeBase"), on the 10th day of February 2022. The Owner, OWUNA, and HomeBase are sometimes referred herein collectively as the "Parties".

RECITALS

WHEREAS, the Owner owns that certain tract of land located in Austin, Travis County, Texas, containing approximately 0.989 acres, more particularly described in Exhibit A (the "Property");

WHEREAS, the Property is encumbered by that certain Declaration of Covenants, Conditions, and Restrictions recorded under Document No. 201802995 of the Official Public Records of Travis County, Texas (the "Original Declaration");

WHEREAS, the Owner, OWUNA, and HomeBase (collectively, the "Parties") desire to amend certain provisions in the Original Declaration relating to the Affordability Requirement set forth herein;

WHEREAS, pursuant to Section 3.5 of the Original Declaration, the Declaration may be modified upon a writing executed and delivered in the same manner.

AGREEMENTS

NOW, THEREFORE, the Parties, having the authority to execute this amendment to the Original Declaration, for $10.00 and other valuable consideration, do hereby agree and covenant as follows:

1. The Recitals above are hereby incorporated, as if set forth in this paragraph.

2. Affordability Requirements. Section 1.2.1 of the Original Declaration is hereby amended and restated in its entirety as follows:

> Affordability Requirements. Commencing on the date the City of Austin issues a certificate of occupancy for the Project and continuing for either (at Owner's election, to be made at its sole and absolute discretion):
>
> > If for ownership units: a period of ninety-nine (99) years thereafter (the "Affordability Period"), (i) five percent (5%) of the residential units within the Project shall be reserved for ownership and occupancy by households earning no more than eighty (80%) percent, and (ii) an additional five percent (5%) of the residential units shall be reserved for

ownership and occupancy by households earning no more than one hundred percent (100%) of annual median family income in the Austin statistical metropolitan area, as determined by the director of the City of Austin's Neighborhood Housing and Community Development Office (MFI).

If for rental units: a period of forty (40) years thereafter (the "Affordability Period"), the greater of (i) ten percent (10%) of the residential units within the Project, or (ii) seven and one-half percent (7.5%) of the conditioned square footage of the improvements comprising the Project, shall be reserved as affordable for rental by households earning no more than sixty percent (60%) of the annual MFI

(the foregoing restriction and covenant being referred to herein as the "Affordability Restriction"). Such units shall be proportionate to the overall unit mix of the residential Portion of the Project.

3. Notice. Section 3.3 of the Original Declaration shall be amended to reflect the addresses for the Owner to be as follows:

"Owner: 2501 N Lamar, LLC,
7421 Burnet Rd #274
Austin TX 78757

4. Except for as set forth herein, the Original Declaration shall remain in full force and effect.

[*THE REMAINDER OF THIS PAGE IS INTENTIALLY LEFT BLANK.*]

OWNER:

2501 N LAMAR LLC,
a Texas limited liability company

By: _____

Name: Robert Lee

Title: Manager member

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 10th day of February, 2022, by Robert Lee the Manager member of 2501 N LAMAR LLC, a Texas limited liability company, on behalf of the company.

SHIRLEY ARREDONDO
Notary ID #129947888
My Commission Expires
September 8, 2022

_____
Notary Public, State of Texas

HOMEBASE:

HOMEBASE TEXAS,
a Texas non-profit corporation

By: Phyllis Snodgrass
Name: Phyllis Snodgrass
Title: CEO

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 7th day of February, 2021, by Phyllis Snodgrass, the Authorized Person of HOMEBASE TEXAS, a Texas non-profit corporation, on behalf of the non-profit corporation.

BERTHA FLORES-SAMILPA
My Notary ID # 125077307
Expires August 22, 2023

Bertha Flores Samilpa
Notary Public, State of Texas

OWUNA:

ORIGINAL WEST UNIVERSITY NEIGHBORHOOD ASSOCIATION

By: _____
Name: Karrie League
Title: Secretary

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 25 day of January, 2022, by Karrie League of ORIGINAL WEST UNIVERSITY NEIGHBORHOOD ASSOCIATION, INC., a Texas non-profit corporation, on behalf of the non-profit corporation.

_____
Notary Public, State of Texas

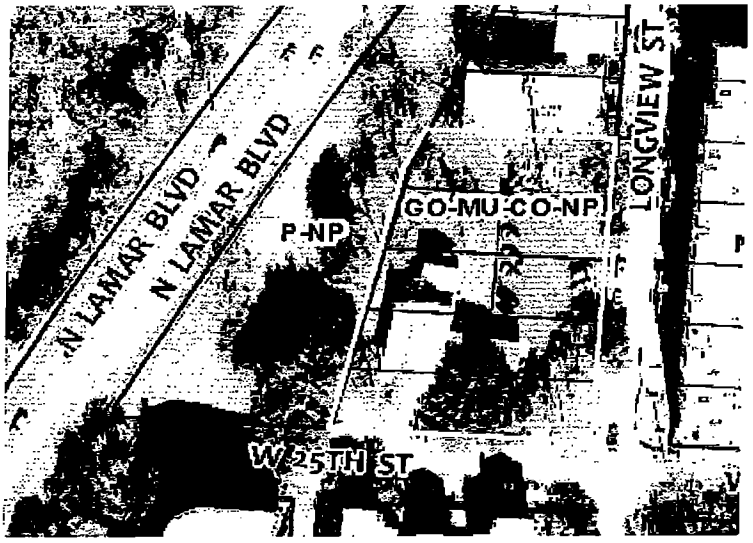
DANIEL BYARS
My Notary ID # 133462153
Expires November 23, 2025

Exhibit A

Property

Address: 1200 West 25th Street, Austin, Travis County, Texas 78705

Total Area: 0.989 acres (43,081 sq. ft.)



CONSENT OF LIENHOLDER

THE UNDERSIGNED, being the holder of a lien on the property of which the First Amendment to Declaration of Covenants, Conditions, and Restrictions (the "Amendment") is a part, pursuant to that certain Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing, dated June 29, 2021, recorded in Document No. 2021146056 of the Official Public Records of Travis County, Texas, hereby consents to the foregoing Amendment and agrees that its lien is subject and subordinate to the Amendment, and that the undersigned has authority to execute and deliver this Consent of Lienholder, and that all necessary acts necessary to bind the undersigned lienholder have been taken.

NAME OF LIENHOLDER:

KHRE SMA FUNDING, LLC

By: _____

Name: Laura L. Torrado

Title: Authorized Signatory

Date: 3/9/22

ACKNOWLEDGEMENT

STATE OF CONNECTICUT §

COUNTY OF FAIRFIELD §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Laura L. Torrado Authorized Signatory of Lienholder herein, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged that [s]he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 9th day of MARCH 2022.

(SEAL)

_____

Notary Public-State of CT

REBECCA B. BROWN
Notary Public, State of Connecticut
My Commission Expires June 30, 2024

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Rebecca Guerrero, County Clerk
Travis County, Texas
Aug 31, 2022 02:37 PM Fee: $278.00
2022146837
Electronically Recorded

AFTER RECORDING RETURN TO:

ROBERT D. BURTON, ESQ.
WINSTEAD PC
401 CONGRESS AVE., SUITE 2100
AUSTIN, TEXAS 78701
EMAIL: RBURTON@WINSTEAD.COM

CASCADE CONDOMINIUMS COMMUNITY MANUAL

Consisting of:
Certificate of Formation
Bylaws
Rules
Assessment Collection Policy
Fine Policy
Mold Policy
Records Inspection, Copying and Retention Policy
Religious Display Policy
Vehicle Charging Policy
Certification and Acknowledgment

PROPERTY

Cascade Condominiums are located at 2500 Longview Street in Austin, Travis County, Texas 78705, are subject to the Declaration of Condominium Regime for Cascade Condominiums, recorded or to be recorded in the Official Public Records of Travis County, Texas.

CASCADE CONDOMINIUMS
COMMUNITY MANUAL

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ATTACHMENT 1

CERTIFICATE OF FORMATION
OF
CASCADE CONDOMINIUM COMMUNITY, INC.

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

John B. Scott
Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING
OF

Cascade Condominium Community, Inc.
File Number: 804651783

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: 07/06/2022

Effective: 07/06/2022

John B. Scott
Secretary of State

FILED
In the Office of the
Secretary of State of Texas

JUL 06 2022

Corporations Section

CERTIFICATE OF FORMATION
OF
CASCADE 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 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: Cascade 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 Cascade Condominiums", which is recorded in the Official Public Records of Travis County, Texas, as the same may be amended from time to time (the "**Declaration**"), the Bylaws, or Texas law, may be exercised by the Board of Directors:

(a) all rights and powers conferred upon nonprofit corporations by Texas law in effect from time to time;

(b) all rights and powers conferred upon condominium associations by Texas law, including the Act, in effect from time to time, provided, however, that the Association shall not have the power to institute, defend, intervene in, settle or compromise proceedings in the name of any Owner as provided in Section 82.102(a)(4) of the Act; 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 Texas law.

Notwithstanding any provision in Article XIV to the contrary, any proposed amendment to the provisions of this Article IV shall be adopted only upon an affirmative vote by the holders of one-hundred percent (100%) of the total number of votes of the Association and the Declarant during the Development Period. 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 401 Congress Avenue, Suite 2100, Austin, Texas 78701. The street address of the initial registered office of the Association is 2220 Webberville Road Suite 101, Austin, Texas 78702. The name of its initial registered agent at such address is 2501 N. Lamar, LLC.

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	401 Congress Avenue, Suite 2100 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 number of Directors of the Association may be increased in accordance with the Bylaws of the Association. 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
Shirley Arredondo	2220 Webberville Road Suite 101 Austin, Texas 78702
Jason Major	2220 Webberville Road Suite 101 Austin, Texas 78702
Amber Reyes	2220 Webberville Road Suite 101 Austin, Texas 78702

All of the powers and prerogatives of the Association shall be exercised by the initial Board of Directors named above until the first annual meeting of the Association.

ARTICLE X
LIMITATION OF DIRECTOR LIABILITY

A director of the Association shall not be personally liable to the Association for monetary damages for any act or omission in his capacity as a director, except to the extent otherwise expressly provided by a statute of the State of Texas. Any repeal or modification of this Article shall be prospective only, and shall not adversely affect any limitation of the personal liability of a director of the Association existing at the time of the repeal or modification.

ARTICLE XI
INDEMNIFICATION

Each person who acts as a director, 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 such director or officer or by reason of any action alleged to have been taken or omitted by him 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 be amended by proposal submitted to the membership of the Association. Except as otherwise provided by the terms and provisions of Article IV of this Certificate of Formation, any such proposed amendment shall be adopted only upon an affirmative vote by the holders of a two-thirds (2/3) majority of the total number of votes of the Association, as determined under the Declaration. In the case of any conflict between the Declaration and this Certificate of Formation, the Declaration shall control; and in the case of any conflict between this Certificate of Formation and the Bylaws of the Association, this Certificate of Formation shall control.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand, this 6th day of July, 2022.

Robert D. Burton, Incorporator

ATTACHMENT 2

CASCADE CONDOMINIUM COMMUNITY, INC.
BYLAWS
(a Texas condominium association)

ARTICLE 1
INTRODUCTION

1.1. **Property**. These Bylaws of Cascade Condominium Community, Inc., provide for the governance of the condominium regime known as Cascade Condominiums, established on certain real property in Travis County, Texas (the "**Property**"), as more particularly described in that certain Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580 in the Official Public Records of Travis County, Texas, as may be amended (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 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 Declarant need not be Owners. Directors appointed by 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 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 Units only (the Owner(s) of the Commercial Units being the only Members 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 Units will be elected for a two (2) year term. For the directors elected by the Residential Units, one director will be elected for a two (2) year term, and one 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. The Residential Representatives may serve a maximum of two consecutive terms, and upon expiration of a director's second consecutive term, such director may not be reelected until one year following the expiration of such director's second consecutive term. In the event the Commercial Units are 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.

2.2. Qualification. The following qualifications apply to the election or appointment of persons to the Board.

2.2.1. 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.

2.2.2. 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.

2.2.3. 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**. Directors will be elected by the Members of the Association. 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, facsimile transmission, electronic mail, or a combination of any of these.

2.4. **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 Units 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 at least two-thirds (2/3) of the Owners of the Residential Units to serve for the unexpired portion of his predecessor's term.

2.5. **Removal of Directors**.

2.5.1. 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 Units only present in person or by proxy at the meeting (the Owner(s) of the Commercial Units 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 Units 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.

2.5.2. 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.

2.6. **Meetings of the Board**.

2.6.1. 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, but at least one (1) such meeting must be held annually. Notice of regular meetings of the Board will be given to each director, personally or by telephone, written, or electronic communication, at least five (5) days prior to the date of the meeting.

2.6.2. 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 five (5) 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.

2.6.3. Emergency Meetings. In case of an emergency, the Board may convene a meeting after making a diligent attempt to notify each director by any practical method.

2.6.4. 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. When not in conflict with law or the Documents, the then current edition of Robert's Rules of Order governs the conduct of the meetings of the Board.

2.6.5. Quorum. At meetings of the Board, at least two (2) directors, which must include at least one Residential Representative and the Commercial Representative, 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.

2.6.6. 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 may but is not required to publish to Members the time, date, and place of Board meetings, but will provide the information if requested in writing by a Member on a meeting by meeting basis.

2.6.7. 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.

2.6.8. 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.

2.7. **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.

2.8. **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:

2.8.1. 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.

2.8.2. 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.

2.9. **Fidelity Bonds**. Any person handling or responsible for Association funds, including officers, agents, and employees of the Association, must furnish adequate fidelity bonds. The premiums on the bonds may be a Common Expense of the Association.

ARTICLE 3
OFFICERS

3.1. **Designation**. The principal officers of the Association are the president, the secretary, and the treasurer. The Board may appoint one (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 Members or directors. Any two (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 thirty percent (30%) 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 forty-five (45) 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 forty-five (45) 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 twenty percent (20%) 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, at which meeting the Members present in person or by proxy (even if representing less than a Majority of the Units) will be sufficient to constitute a quorum for the purposes of that meeting.

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. Corporation-Owned Units. If a Unit is owned by a corporation, the vote appurtenant to that Unit may be cast by any officer of the corporation in the absence of

the corporation's written appointment of a specific person to exercise its vote. The vote of a partnership may be cast by any general partner in the absence of the partners' written appointment of a specific person. The person presiding over a meeting or vote may require reasonable evidence that a person voting on behalf of a corporation or partnership 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.

4.10. **Proxies**. Votes may be cast in person or by written proxy. 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. 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. 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. A proxy may be delivered by fax. However, a proxy received by fax may not be counted to make or break a tie-vote unless: (a) the proxy has been acknowledged or sworn to by the Member, before and certified by an officer authorized to take acknowledgments and oaths; or (b) the Association also receives the original proxy within five (5) days after the vote.

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, fax, 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 a telephone conference 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**. Declarant has adopted initial rules and regulations 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 and regulations; provided, however, that until the expiration or termination of the Development Period, all amendments to the rules and regulations must be approved in advance and in writing by Declarant.

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 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 given.

6.1.2. 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.

6.1.3. 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, by fax, 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 fax or electronic mail, the notice is deemed delivered on successful transmission of the facsimile or 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 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.

10.3. **Transition Meeting**. On or before the termination of the Declarant Control Period, or sooner at Declarant's option, Declarant will call a meeting of the Members for the purpose of electing directors, by ballot of Members. Notice of the organizational meeting will be given as if it were notice of an annual meeting.

ARTICLE 11
AMENDMENTS TO BYLAWS

11.1. **Authority**. These Bylaws may be amended by a Majority vote of the Board of Directors; provided, however, that during the Development Period, any amendment to the Bylaws must be approved in advance and in writing by Declarant.

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 Travis County, Texas.

11.4. **Declarant Protection**. During the Development Period, no amendment of these Bylaws may affect Declarant's rights herein without 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 Declarant. 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, 401 Congress Ave., Suite 2100, Austin, Texas 78701.

ATTACHMENT 3

INITIAL RULES & REGULATIONS

These Initial Rules & Regulations are established by **2501 N. Lamar, LLC**, a Texas limited liability company, for the benefit of Cascade Condominium Community, Inc., a Texas non-profit corporation (the "**Association**"). These Community Rules are the "Rules" defined in Article 1 of the Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580 in the Official Public Records of Travis County, Texas, as may be amended (the "**Declaration**").

These Rules are in addition to the provisions of the Declaration and Bylaws. By owning or occupying a Unit, each Owner and Occupant agrees to abide by these Rules and to comply with the obligations of Owners and Occupants under the Declaration and Bylaws of the Association.

Words and phrases defined in the Declaration have the same meaning when used in these Rules. In the event of a conflict between Documents, the hierarchy of authority is as follows: Declaration (highest), Bylaws, and these Rules (lowest). The Association's board of directors is empowered to interpret, enforce, amend, and repeal these Rules.

A. COMPLIANCE

A-1. Compliance. Each Owner will comply with the provisions of these Rules, the other Documents, and policies adopted by the Board to supplement these Rules, as any of these may be revised from time to time. Each Owner, additionally, is responsible for compliance with the Documents by the Occupants of his Unit, and his or their respective relatives, invitees, tenants, agents, employees, or contractors. If a Rule requires or prohibits conduct by an "Owner" or "Occupant," each of those terms are deemed to include the other, and applies to all persons for whom an Owner or Occupant is responsible. Again, the Owner is ultimately responsible for compliance by all persons using or related to his Unit. An Owner should contact the Association if he has a question about these Rules. The Association has the right to enforce these Rules against any person on the Property.

A-2. Additional Rules. Each Occupant must comply with any rules and signs posted from time to time on the Property by the Association. Posted rules are incorporated in these Rules by reference. Each Occupant must comply with notices communicated by the Association, from time to time, in the nature of seasonal or temporary rules, or notice of a change affecting use of the Property. Temporary rules are incorporated in these Rules by reference.

A-3. Waiver. Circumstances may warrant waiver or variance of these Rules. To obtain a waiver, an Owner must make written application to the Board. The Board's approval of a variance must be in writing, and may be conditioned.

A-4. Limits. It is understood that individuals may have different interpretations of and tolerances for these Rules. On lifestyle-related rules, such as the "Community Etiquette" rules below, the Association may refrain from acting on a perceived violation unless the Board determines the violation to be significant or a community-wide problem. The Association may not be compelled by one Occupant to enforce these Rules against another Occupant. Occupants are expected to deal directly and peaceably with each other about their differences.

A-5. Filing Complaints. Because the Association is not staffed to monitor the Property for Rules violations, the Association relies on Occupants to identify and report violations of these Rules and the Documents, and to monitor compliance with these Rules by violators. The Association also relies on Occupants to help keep each other informed about the Rules. Recognizing that an Occupant may be reluctant to confront another Occupant about a violation, the Association will work with Occupants to enforce the Rules. Generally, a complaint must be in writing and must be signed by an Occupant or Owner who is willing to be identified as the complainant. The Association may refuse to enforce a violation (a) that cannot be easily and independently verified, (b) for which it did not receive a signed written complaint, (c) for which the complainant will not cooperate with monitoring the violation and compliance, and (d) which the Board does not consider to be significant or community-wide.

B. OBLIGATIONS OF OWNERS AND OCCUPANTS

B-1. Damage. An Owner is responsible for any loss or damage he causes to his Unit, other Units, the personal property of other Occupants or their guests, or to the Common Elements.

B-2. Association Does Not Insure. A person assumes full risk and sole responsibility for placing his personal property in or on the Property. Each Occupant is solely responsible for insuring his personal property in the Unit and on the Property, including his furnishings and vehicles. THE ASSOCIATION STRONGLY RECOMMENDS THAT ALL OWNERS AND OCCUPANTS PURCHASE AND MAINTAIN INSURANCE ON THEIR PERSONAL BELONGINGS.

B-3. Risk Management. An Owner may not permit anything to be done or kept in his Unit or the Common Elements that is illegal or that may result in the cancellation of insurance on the Property.

B-4. Reimbursement for Enforcement. An Owner must promptly reimburse the Association for any expense incurred by the Association to enforce the Documents against the Owner, his Unit, or persons for whom the Owner is responsible.

B-5. Reimbursement for Damage. An Owner must promptly reimburse the Association for the cost of damage to the Property caused by the negligent or willful conduct of the Owner or persons for whom the Owner is responsible.

B-6. No Garage Sales. Without the Board's prior written permission, no person may conduct at the Property a sale or activity that is advertised or attractive to the public, such as garage sales, car sales, or estate sales. This Section does not apply to marketing the sale or rental of a Unit, unless combined with a prohibited activity.

B-7. Supervision of Minors. For their own well-being and protection, persons who are legally incompetent or younger than 18 years must be under the general control and supervision of their parents or guardians at all times while on the Property.

C. OCCUPANCY STANDARDS

C-1. Leases. Each lease must be in writing. At the Association's request, an Owner must give the Board a copy of each lease and lease renewal. A Unit may not be leased for hotel or transient purposes. Less than the entire Unit may not be leased. See *Article 11* of the Declaration for additional leasing requirements.

C-2. Danger. As permitted by the federal Fair Housing Act Rules, no Unit may be occupied by a person who constitutes a direct threat to the health or safety of other persons, or whose occupancy would result in substantial physical damage to the property of others.

D. FIRE AND SAFETY

D-1. Safety. Each Occupant is solely responsible for his own safety and for the safety, well-being, and supervision of his guests and any person on the Property to whom the Occupant has a duty of care, control, or custody.

D-2. Fires. Except for barbecue grills located in the pool area, there may not be any exterior fires on the Property. On permitted grills, (a) open fires must be supervised at all times; (b) gas tanks must be properly used and maintained; (c) no flames may be higher than the cooking surface; and (d) a grill may not be used near combustible materials.

D-3. Safety Equipment. No person may use, tamper with, or modify the fire and safety equipment, if any, in the Common Elements of the Property, such as alarms, extinguishers, monitors, and self-closing gates or doors. This Section may not be construed to require the installation or use of such equipment.

D-4. Security. The Association may, but is not be obligated to, maintain or support certain activities within the Property designed to make the Property less attractive to intruders than it otherwise might be. The Association, its directors, committees, Members, agents, and employees 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. Each Owner, Occupant, guest, and invitee on the Property assumes all risk for loss or damage to his person, to his Unit, to the contents of his Unit, and to any other of his property on the Property. The Association expressly disclaims and disavows 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.

D-5. Responsibility. Each Owner and Occupant is solely responsible for his or her own safety and for the safety, well-being, and supervision of his or her guests and/or invitees and any person on the Property to whom the Owner or Occupant has a duty of care, control, or custody.

E. GENERAL USE AND MAINTENANCE OF UNIT

E-1. Residential Use. Each Residential Unit must be used solely for residential use, and may not be used for commercial or business purposes, except as permitted in the Declaration. This restriction does not prohibit an Occupant from using his Unit for personal, business, or professional pursuits, provided that: (a) the non-residential use is incidental to the Unit's residential use; (b) the use conforms to applicable laws and ordinances; (c) there is no external evidence of the non-residential use; (d) the non-residential use does not entail visits to the Unit by the public, employees, suppliers, or clients; and (e) the non-residential use does not interfere with the use and enjoyment of neighboring Units.

E-2. Annoyance. An Occupant may not use his Unit in a way that: (a) annoys Occupants of neighboring Units; (b) reduces the desirability of the Property as a residential community; (c) endangers the health or safety of other Occupants; or (d) violates any law or any provision of the Documents.

E-3. Maintenance. An Owner, at his expense, will maintain his Unit and keep it in good repair.

E-4. Balcony and Patio Maintenance. An Occupant will maintain the balcony or patio that is part of his Unit (if any) or designated as a Limited Common Element assigned to his Unit in a clean manner. An Occupant will take care that the cleaning of his balcony or patio does not annoy or inconvenience other Occupants. A balcony or patio may not be enclosed or used for storage purposes. If the Board determines that a balcony or patio is unsightly, the Board may give the Owner notice of the problem and a reasonable time period in which to correct it, after which the Board may take corrective action at the Owner's expense.

E-5. Glass. The Association is responsible for the repair and replacement of any broken or cracked glass in a Unit's windows and doors, which serve a Unit exclusively, regardless of the source of the damage; provided, however, that expenses associated with maintenance, repair and replacement of glass surfaces of windows or doors serving a Unit exclusively are the responsibility of the Unit Owner, which shall be due and payable as an Individual Assessment to the Association upon demand.

E-6. Utility Equipment. Each Owner, at his expense, will maintain, repair, and replace the water heating and air heating and cooling equipment/system exclusively serving his Unit.

E-7. Combustibles. An Occupant may not store or maintain, anywhere on the Property – including within a Unit – explosives or materials capable of spontaneous combustion.

E-8. Report Malfunctions. An Occupant will immediately report to the Board his discovery of any leak, break, or malfunction in any portion of the Property which the Association has a duty to maintain. An Occupant who fails to promptly report a problem may be deemed negligent, in which case the Owner may be liable for any additional damage caused by the delay.

E-9. Emergencies. In case of continuous water overflow, an Occupant should immediately turn off water and TURN THE SHUT-OFF VALVES BEHIND THE TOILET OR UNDER THE SINK.

E-10. Cable. An Occupant who subscribes directly to cable service is solely responsible for maintaining that subscription and the appurtenant equipment. No additional exterior cable lines may be connected to the Unit except in the cable conduit maintained by the Association. No holes or protrusions may be made in any exterior surface of the Property. Wires may not be draped, hung, or strung on the building or the grounds, the Owner of the Unit to which cable service is provided is responsible to the Association for any damage to the Property caused by the cable installer or servicer.

E-11. Frozen Water Pipes. Some Units are constructed with water lines in exterior walls. It is the duty of every Owner and Occupant of such a Unit to protect the water lines from freezing during winter months. Between November 1 and March 25 of any year, no Unit with water lines in exterior walls may be left unheated. During periods of anticipated below freezing temperatures, water lines in exterior walls should be allowed to drip continuously, and cabinets enclosing plumbing lines should be left ajar. Dishwashers on exterior walls should not be used during and immediately after periods of extreme cold. Failure by an Owner or Occupant to monitor the local weather and take appropriate precautions may be deemed negligence.

F. GENERAL USE & MAINTENANCE OF COMMON ELEMENTS

F-1. Intended Use. Every area and facility in the Property may be used only for its intended and obvious use.

F-2. Personal Property. The sidewalks, entrances, passages, driveways, parking areas and similar portions of the Common Elements shall not be obstructed nor used for any purpose other than for ingress and egress to and from the Regime and the Units. No carts, bicycles, carriages, chairs, tables or other similar objects or personal property shall

be stored in, on or upon the Common Elements, except in areas, if any, designated for such purposes. All personal property must be stored within an Owner's Unit.

F-3. Grounds. Unless the Board designates otherwise, Occupants may not use or abuse the landscaped areas, lawns, beds, and plant materials on the Common Elements.

F-4. Abandoned Items. No item or object of any type may be stored, placed, or maintained anywhere on the General Common Elements, except by the Board or with the Board's prior written consent. Items of personal property found on the General Common Elements are deemed abandoned and may be disposed of by the Board.

G. COMMUNITY ETIQUETTE

G-1. Courtesy. Each Occupant will endeavor to use his Unit and the Common Elements in a manner calculated to respect the rights and privileges of other Occupants.

G-2. Annoyance. An Occupant will avoid doing or permitting anything to be done that will annoy, harass, embarrass, or inconvenience other Occupants or their guests, or the Association's employees and agents.

G-3. Noise and Odors. Each Occupant must exercise reasonable care to avoid making or permitting to be made loud, disturbing, or objectionable noises or noxious odors that are likely to disturb Occupants of other Units. The following are expressly prohibited: (1) installing speakers, subwoofers, or other noise or vibration emitting equipment in or on a party wall (a wall between 2 Units); (2) creating any protrusion in a party wall (a wall between 2 Units), through which sound may more easily transfer; (3) mounting a speaker in a ceiling at a point that is less than 5 feet from a party wall; and (4) loud vocalizations and boisterous conduct on Common Elements.

NOT SOUNDPROOFED

The units are not soundproofed, and some noise transmission between adjoining units will occur. Reasonable people may disagree about "customary" noise levels and what constitutes a "disturbance." Persons who are hypersensitive to noise may be required to tolerate a degree of noise

G-4. Parties. In planning private social functions at the Property, an Occupant should be aware of the potential consequences on the Property's parking resources and on the sensibilities of other Occupants. An Occupant intending to use his Unit for a party or other activity that may be expected to produce a higher-than-customary level or duration of noise or other disturbance will make a diligent effort to give Occupants of adjoining Units timely prior notice of the event, as a courtesy. If the event is expected to attract ten (10) or more guests to the Property, the Occupant will also give the Board timely prior written notice of the event.

G-5. Reception Interference. Each Occupant will avoid doing or permitting anything to be done that may unreasonably interfere with the television, radio, telephonic, or electronic reception on the Property.

H. ARCHITECTURAL CONTROL; WORK UPON UNITS AND COMMON ELEMENTS

H-1. Exteriors. Without the written approval of the Architectural Reviewer, an Owner or Occupant may NOT change, remodel, decorate, destroy, or improve any exterior surface or component of the Property, nor do anything to change the outside appearance of the Property, including without limitation the entry door, front porch, decks, balconies, windows, and driveway appurtenant to the Unit.

H-2. Protrusions. An Owner or Occupant may not cause anything to protrude or project through the boundaries of the Unit, such as the foundation, roof, party wall between Units, or an exterior wall of a Unit. Examples of installations that may entail protruding wires or conduits include, without limitation, exterior horns, lights, speakers, or aerials.

H-3. Balconies, Decks, and Porches. Because balconies, decks, and porches are distinctive architectural features of the Property, an Owner or Occupant may not change the appearance or condition of the balcony or porch portion of his Unit in any manner, without the prior authorization of the Architectural Reviewer. While certain types of furniture are allowed on balconies and patios, such items must be in good condition, of a first class nature, and compatible with the design and quality of the community, as determined by the Board its sole and absolute discretion. Prohibited activities include the following:

a. Painting or staining any part of the balcony or porch.

b. Installing a cover of any kind over the open slat top of the balcony.

c. Enclosing or covering of the balcony or porch in any manner.

d. Hanging items from the trellis, arbor, walls, roof, or railing, or failing to remove hanging items that the Architectural Reviewer has determined to be unattractive, such as windchimes, windsocks, birdfeeders, rope lights, and hanging baskets.

e. Maintaining anything on the balcony or porch that the Architectural Reviewer determines to be unattractive, such as umbrellas, items of storage, bicycles, and oversize or inappropriate furniture.

f. Barbeque grills may not be kept - even temporarily - on balconies or porches.

g. Using the balcony or porch for storage.

h. The display of flags on balconies or patios is prohibited.

H-4. Satellite Dishes. An Occupant who desires satellite television service must strictly comply with the applicable requirements set forth in the Declaration. No holes or protrusions may be made in any exterior surface of the Property. Wires may not be draped, hung, or strung on the building or the grounds. The Owner of the Unit to which satellite service is provided is responsible to the Association for any damage to the Property caused by the satellite dish installer or servicer. Contact the Association before shopping for an exterior satellite dish or antenna to determine if such equipment is permitted for a particular Unit and, if so, where it may be located. Owners should get Association's written authorization before any installation.

The Association may, but is not obligated to, install one or more satellite dishes upon the roof of a building, to serve the Units within such building. In lieu of installing a common satellite dish, the Association may, but is not obligated to, permit Owners to install a satellite dish upon the roof of such Owner's building, subject to such additional rules and regulations as the Association may promulgate from time to time concerning the installation of satellite dishes upon the building roofs. Each Owner is advised to contact the Association to determine whether the Association has elected to permit the Owners and Occupants to install satellite dishes upon the building roofs, and if so, to discuss what additional rules will apply.

In the event that the Association elects to permit Owners and Occupants to install satellite dishes upon the building roofs, installation shall be conducted at the Owner's or Occupant's sole cost and expense by an installer or servicer approved by the Association.

H-5. Work Upon Common Elements and Units. Notwithstanding any provision in the Declaration or these Rules to the contrary, no Owner or Occupant shall perform or permit to be performed any work to any portion of: (i) the Owner's Unit, which work may require access to, over or through the Common Elements or other Units or (ii) the Common Elements, without the prior consent of the Board of Directors except in case of an emergency. All such work may only be performed by a person who shall deliver to the Board of Directors prior to commencement of such work, in form satisfactory to the Board of Directors:

a. releases of the Board of Directors and the Association for all claims that such Person may assert in connection with such work;

b. indemnities of the Board of Directors 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;

c. certificates of insurance, including liability and workmen's compensation coverage, in amounts and with companies reasonably acceptable to the Board of Directors; and

d. all other information and protections which the Board of Directors may reasonably require.

H-6. Window Treatments. An Owner MAY install window treatments inside his Unit, provided:

a. The window treatment, including drapes, blinds, shades, or shutters, must appear to be (1) clear, (2) white, (3) near-white light neutral, or (4) light wood tone when viewed from outside the Unit.

b. The use of newspaper, bed sheets, tablecloths, or other obviously non-drapery fabrics or other material is expressly prohibited, even on a temporary basis.

c. Aluminum foil, reflective window treatments, window tinting, and window decals or stickers are expressly prohibited.

d. Window treatments must be maintained in good condition, and must be removed or replaced if they become stained, torn, damaged, or otherwise unsightly in the opinion of the Board.

H-7. Prohibited Acts. In addition to the foregoing, a person may not:

a. Post signs, notices, or advertisements on the Common Elements or in a Unit if the sign is visible from outside the Unit, other than signs permitted by *Section 11.16* of the Declaration.

b. Place or hang an object in, on, from, or above any window, interior window sill, deck, balcony or patio that, in the sole opinion of the Board, detracts from the appearance of the Property. Prohibited objects include planters and planter boxes, flower pots, window boxes, birdfeeders, windsocks, mobiles, windchimes, and other outside accessories.

c. Hang, shake, or otherwise display linens, clothing, towels, rugs, shoes, mops, bedding, or other similar items from windows, doors, balconies, patios, or passageways.

d. Have bicycles or similar sporting equipment on balconies or patios.

e. Place decorations on exterior walls, doors, and fences, or on the General Common Elements.

f. Enclose or cover a balcony, porch, or deck.

g. Install storm or screen doors and windows, including solar screen.

H-8. Architectural Reviewer. All proposed improvements and modifications to the Regime must be approved in advance by the Architectural Reviewer in accordance with the Declaration.

I. VEHICLE RESTRICTIONS

I-1. Permitted Vehicles. To be permitted on the Property, a vehicle must be operable, and must display a current license tag and inspection sticker. For purposes of these Rules, vehicles include automobiles, motorcycles, motorized bikes, passenger trucks, small vans, and similar passenger vehicles. The following are not permitted on the Property without the Board's consent: trailers, boats, recreational vehicles, buses, large commercial trucks, industrial vehicles. Motorcycles, motorbikes, or other motorized vehicles may not be operated on the Property except to provide transportation to and from a Unit.

I-2. Repairs. Washing, repairs, restoration, or maintenance (including oil changes) of vehicles is prohibited on driveways and parking areas, except for emergency repairs, and then only to the extent necessary to enable movement of the vehicle to a repair facility.

I-3. Proper Placement. No vehicle, including motorcycles, may be driven, parked, or placed anywhere on the Property except in designated areas. Motorcycles may not be chained to buildings, fences, or any other part of the Property, unless designated for that purpose.

I-4. Guest Parking. Parking spaces designated as Commercial Guest Parking on the Plat are reserved for use by the Owners, Occupants, guests and invitees of the Commercial Units between the hours of 9:00 a.m. and 6:00 p.m., Monday through Saturday. Parking in parking spaces designated as Commercial Guest Parking is limited to a period of no more than twelve (12) consecutive hours unless in the event of an emergency or otherwise approved in advance by the Board. An "emergency" means an event which jeopardizes life or property. Vehicles that have expired license plates, expired inspection stickers, flat tires or that are obviously inoperable due to missing parts may not be parked on the roadway.

I-5. 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 Property is discouraged. No vehicle may be kept on the Property if the Board deems it to be unsightly, inoperable, inappropriate, or otherwise violative of these Rules.

I-6. Obstructions. No vehicle may be parked in a manner that impedes or prevents ready access to the Property, driveways, or parking spaces. No 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 firelanes, or in any area

designated as "No Parking." Vehicles parked in violation of the Documents (including this provision) will be towed at the owner's expense.

I-7. Violations. A vehicle in violation of these Rules may be stickered, wheel-locked, towed, or otherwise removed from the Property by the Board, at the expense of the vehicle's Owner. The Association expressly disclaims any liability for damage to vehicles on which the Association exercises these remedies for Rules violations.

J. TRASH DISPOSAL

J-1. General Duty. Occupants will endeavor to keep the Property clean and will dispose of all refuse in receptacles designated specifically by the Association or by the applicable municipality for that purpose. Occupants may NOT litter Common Elements.

J-2. Hazards. Occupants may NOT store trash inside or outside his Unit in a manner that may permit the spread of fire, odors, or seepage, or encouragement of vermin.

J-3. Trash and Recycling Containers. Occupants will place trash entirely within the designated receptacle, and may not place trash outside, next to, or on top of the receptacle. If a receptacle is full, Occupants should locate another receptacle to hold his trash. Boxes and large objects should be crushed or broken down before placed in a receptacle. Receptacles are to be closed at all times when not in use. Occupants must arrange privately for removal of discarded furnishings or any unusually large volume of debris.

K. PETS

K-1. Permitted Pets. An Occupant may not keep or permit on the Property a pet or animal of any kind, except as permitted by these Rules and the Documents. Subject to these Rules, an Occupant may keep in his Unit customary domesticated housepets, such as domesticated dogs, cats, caged birds, and aquarium fish, provided there are not more than two cats, or two dogs, or one cat and one dog.

K-2. Prohibited Animals. No animals, including pigs, hogs, swine, poultry, fowl, wild animals, horses, cattle, sheep, goats, or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept, maintained, or cared for anywhere on the Property. No Occupant may keep a dangerous or exotic animal, trained attack dog, or any other animal deemed by the Board to be a potential threat to the well-being of people or other animals. In the event that any regulatory authority (i.e. animal control) determines that an animal within the Property is dangerous or hazardous, then the owner of such animal shall be required to immediately remove the animal from the Property. No animal or housepet may be kept, bred, or maintained for any commercial purpose or for food.

K-3. Indoors/Outdoors. A permitted pet must be maintained inside the Unit, and may not be kept on a porch, balcony, or deck. No pet is allowed on General Common Elements unless carried or leashed. No pet may be leashed to a stationary object on the Common Elements.

K-4. Disturbance. Pets must be kept in a manner that does not disturb another Occupant's rest or peaceful enjoyment of his Unit or the Common Elements. No pet may be permitted to bark, howl, whine, screech, or make other loud noises for extended or repeated periods of time.

K-5. Damage. Each Occupant is responsible for any property damage, injury, or disturbance his pet may cause or inflict. An Occupant who keeps a pet on the Property is deemed to indemnify and agrees to hold harmless the Board, the Association, and other Owners and Occupants, from any loss, claim, or liability of any kind or character whatever resulting from any action of his pet or arising by reason of keeping or maintaining the pet on the Property.

K-6. Pooper Scooper. Each Occupant is responsible for the removal of his pet's wastes from the Common Elements. The Board may levy a fine against a Unit and its Owner each time feces are discovered on the Common Elements and attributed to an animal in the custody of that Unit's Occupant.

K-7. Removal. If an Occupant or his pet violates these Rules, or if a pet creates a noise, odor, or other disturbance or nuisance, the Occupant or person having control of the animal may be given a written notice by the Board to correct the problem. If the problem is not corrected within the time specified in the notice (not less than 10 days), the Occupant, upon written notice from the Board, may be required to remove the animal. Each Occupant agrees to permanently remove his violating animal from the Property within 10 days after receipt of a removal notice from the Board.

L. POOL RULES

L-1. Pool Facilities. As used herein, the term **"Pool Facilities"** includes the entirety of the pool area, including, without limitation, the pool, deck(s), landscaping and decorative features. Any Owner, Occupant and their invited guest(s) and/or authorized guardian(s) who are reported to be and/or found to be in violation of any of these pool rules will be reported to the Board and possibly the local law enforcement agency (as applicable). The nature of the situation will be considered and action(s) toward resolution will be at the Board's discretion.

WARNING: NO LIFEGUARD ON DUTY, SWIM AT YOUR OWN RISK

USE OF ANY EQUIPMENT PROVIDED AT THE POOL FACILITIES IS AT THE DISCRETION OF OWNERS, OCCUPANTS AND THEIR INVITED GUEST(S) AND/OR AUTHORIZED GUARDIAN(S). PLEASE USE CAUTION.

EACH OWNER, OCCUPANT AND THEIR INVITED GUEST(S) AND/OR AUTHORIZED GUARDIAN(S) ACKNOWLEDGES THAT USE OF THE POOL FACILITIES INVOLVES CERTAIN RISKS INHERENT WITH WATER ACTIVITIES. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH OWNER, OCCUPANT AND THEIR INVITED GUEST(S) AND/OR AUTHORIZED GUARDIAN(S) HEREBY ASSUMES ALL SUCH RISKS FOR THEMSELF AND THEIR SPOUSE, IMMEDIATE FAMILY MEMBERS, AND GUESTS AND HEREBY FURTHER WAIVES AND RELEASES FOR THEMSELF, THEIR SPOUSE, IMMEDIATE FAMILY MEMBERS, AND GUESTS, ANY CLAIMS OR CAUSES OF ACTION WHICH THEY MAY HAVE AGAINST THE ASSOCIATION, DECLARANT AND THEIR RESPECTIVE DIRECTORS, OFFICERS, SHAREHOLDERS, PARTNERS, MANAGERS, MEMBERS, EMPLOYEES, AFFILIATES, REPRESENTATIVES, AGENTS, HEIRS, SUCCESSORS, AND ASSIGNS AND THE IMMEDIATE FAMILY MEMBERS OF EACH OF THEM (COLLECTIVELY, THE "INDEMNIFIED PARTIES"), ARISING OUT OF INJURIES OR PROPERTY DAMAGE WHICH THEY MAY SUSTAIN AS A RESULT OF USE OF THE POOL FACILITIES OR ANY EVENT OR ACTIVITY HELD BY THE ASSOCIATION AT THE POOL FACILITIES. SUCH WAIVER INCLUDES, BUT IS NOT LIMITED TO, ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF OR IN CONNECTION WITH ANY ACT OR OMISSION, WHETHER DUE TO NEGLIGENCE OR OTHERWISE, OF THE INDEMNIFIED PARTIES. EACH OWNER, OCCUPANT, AND THEIR INVITED GUESTS AND/OR AUTHORIZED GUARDIAN(S) AGREES TO INDEMNIFY AND HOLD HARMLESS THE INDEMNIFIED PARTIES AGAINST ANY AND ALL CLAIMS MADE BY ANY OTHER PERSON WHO ALLEGES INJURY RESULTING FROM THE SOLE OR COMPARATIVE NEGLIGENCE OF THE ASSOCIATION AND/OR DECLARANT IN CONNECTION WITH SUCH RISKS.

L-2. Use Rules. Use of the Pool Facilities shall be in accordance with the rules listed below, in addition to any posted signs.

a. Proper swim attire is required. No "cut-offs" are allowed. All persons should respect all cultural differences by wearing family friendly attire. Swim diapers, are required, if necessary. Disposable diapers are not allowed.

b. Conduct by any person deemed to be dangerous, unreasonable, or offensive (including "horseplay") is not allowed and should be reported to the Manager. Any person disciplined repeatedly and/or for a serious infraction(s), will lose all pool privileges for the rest of the season.

c. Running, hopping, skipping or speed walking within the pool area is prohibited.

d. Under no circumstances shall grills, pets, bicycles, skateboards, scooters or motorized cycles be permitted within the Pool Facilities. Roller-skates and/or

rollerblades may be carried into the pool area and stored with personal belongings but may not be worn within the fenced pool area.

e. Diving from the side of the pool is not permitted.

f. Climbing or sliding on any hand railing is not permitted.

g. No glass containers of any type are allowed in the pool area.

h. Food shall only be consumed in areas at least six feet (6') away from the pool. No chewing gum is allowed within the pool area.

i. All trash generated by any person in the fenced pool area must be placed in garbage containers or otherwise properly disposed of.

j. Swimmers are encouraged to shower before entering the pool. While protection from the harmful rays of the sun is encouraged, the use of oils and other heavy suntan lotions cause filter damage, and these lotions should be used sparingly.

k. Persons with open sores, wounds and bandages or communicable diseases are encouraged to refrain from swimming in the pool. OWNERS, OCCUPANTS AND THEIR INVITED GUEST(S), AUTHORIZED GUARDIAN(S) AND/OR CHILDREN SHALL NOT USE THE POOL IF THEY HAVE HAD DIARRHEA IN THE PREVIOUS TWO (2) WEEKS. **IF A FECAL ACCIDENT OCCURS: All swimmers must exit the pool immediately, and the pool will be closed for a minimum of two (2) hours from the time the pool has been chemically treated.** The pool will be cleaned, disinfected and tested, and proven to be free from contamination before the pool will be reopened. If a child of an Owner or Occupant or their invited guest(s) is found to be responsible for a closure due to fecal matter, all costs to clean and reopen the pool may be assigned to that Owner or Occupant. Incidents should be reported to the Manager, immediately.

l. Any items lost will be the responsibility of the Owner, Occupant or their invited guest(s) and/or authorized guardian(s). If the loss or find is of great value, the Owner or Occupant should contact the Manager.

m. Owners, Occupants and their invited guest(s) and/or authorized guardian(s) shall swim safely and treat others as they would like to be treated. Items are not to be thrown when others are nearby. Owners, Occupants and their invited guest(s) and/or authorized guardian(s) with children are responsible for the behavior of their children.

n. Swimmers in the water have the right of way. Swimmers entering the water must make certain that the area that they are entering is free of other swimmers.

o. In the event of inclement weather, swimmers are to clear the pool during the storm and for at least thirty (30) minutes after lightning and/or thunder has ceased. Persons may stay in the pool area during this time, but are cautioned to stay a safe distance from the water.

p. No lights will be on and no lights are permitted to be on after 9 p.m. on Sunday through Friday and after 10 p.m. on Saturday.

q. The Association has the right to regulate the use and volume of music within the pool area. The Association may take any action reasonably necessary to lower the volume of the music or otherwise turn the music off.

r. **UNDER NO CIRCUMSTANCES WILL ALCOHOL, TOBACCO, FIREARMS, DRUGS OR GRILLS, BE PERMITTED IN THE POOL AREA OR SURROUNDING AREA. ANYONE SEEN ENGAGING IN THE USE OF THESE PROHIBITED ITEMS WILL BE SUBJECT TO LOSS OF PRIVILEGES FOR A PERIOD OF TIME TO BE DETERMINED BY THE BOARD, AND OTHER LEGAL ACTIONS MAY BE TAKEN IN CONJUNCTION WITH THE LOCAL LAW ENFORCEMENT AGENCY.**

M. MISCELLANEOUS

M-1. Right to Hearing. An Owner may request in writing a hearing by the Board regarding an alleged breach of these Rules by the Owner or any person for whom the Owner is responsible. The Board will schedule a hearing within thirty (30) days after receiving the Owner's written request. At the hearing, the Board will consider the facts and circumstances surrounding the alleged violation. The Owner may attend the hearing in person, or may be represented by another person or written communication.

M-2. Mailing Address. An Owner who receives mail at any address other than the address of his Unit must maintain with the Association his current mailing address. 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 may 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 that Owner's Unit is deemed effective for purposes of delivery.

M-3. Revision. These Rules are subject to being revised, replaced, or supplemented, and Owners and Occupants are urged to contact the Association to verify the rules currently in effect on any matter of interest. These Rules will remain effective until 10 days after an Owner of each Unit has been given a notice of the amendment or revocation of these Rules.

M-4. Other Rights. These Rules are in addition to and in no way whatsoever detract from the rights of the Association under the other Documents and the laws of the State of Texas.

ATTACHMENT 4

ASSESSMENT COLLECTION POLICY

Cascade Condominiums is a condominium regime created by and subject to the Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580 in the Official Public Records of Travis County, Texas, as may be amended (the "**Declaration**"). As a condominium regime, Cascade Condominiums is also subject to Texas laws, including Chapter 82 of the Texas Property Code – the Texas Uniform Condominium Act ("**TUCA**"). The operation of Cascade Condominiums is vested in Cascade 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, TUCA 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 Assessments 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); and

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, Declarant hereby 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 all Assessments. Regular Assessments are due and payable on the first calendar day of each month. Special, Individual, Utility 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, Individual, Utility or Deficiency Assessment is given.

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 fifth (5th) calendar day of the month, the Association may levy a late fee of $25 per month and/or interest of ten percent (10%) 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 $25 may be imposed 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.

1-E. Insufficient Funds. The Association may levy a charge of $25 for any check returned to the Association marked "not sufficient 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 directors 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 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 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 may 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 Individual Assessments

(6) Delinquent Deficiency Assessments

(7) Delinquent Special Assessments

(8) Delinquent Utility Assessments

(9) Delinquent Regular Assessments

(10) Current Individual Assessments

(11) Current Deficiency Assessments

(12) Current Special Assessments

(13) Current Utility Assessments

(14) 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 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 the mortgage lender 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 may be sent to his mortgage holder.

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 property for public auction, and to conduct a public auction of the Unit on the steps of the county courthouse in accordance with Texas 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 a 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. TUCA'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 to be 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 any 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 Association's 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 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.

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 Sections 82.102(d) and (e) of the Texas Uniform Condominium Act ("TUCA"). To establish policies and procedures for fining under TUCA, 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.

> *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.*

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), beginning on the Start Date. 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 Cascade Condominiums, recorded as Document No. 2021279580 in the Official Public Records of Travis County, Texas, as may be amended (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
MOLD POLICY
RECITALS

A. Background. Because of extensive news coverage in recent years relating to mold, the public and the insurance industry have a heightened awareness of and sensitivity to anything pertaining to mold. In a condominium context, the mold issue has numerous facets.

B. Mold Information. In adopting this policy, the Association relies on information about mold obtained from government sources, including the "Indoor Air Mold" website sponsored by the U. S. Environmental Protection Agency at http://www.epa.gov/mold/index.html. As stated in the "Frequently Asked Questions" section of the EPA Mold site:

What are the basic mold clean-up steps?

1. *The key to mold control is moisture control.*
2. *Scrub mold off hard surfaces with detergent and water, and dry completely.*
3. *Fix plumbing leaks and other water problems as soon as possible. Dry all items completely.*
4. *Absorbent or porous materials, such as ceiling tiles and carpet, may have to be thrown away if they become moldy. Mold can grow on or fill in the empty spaces and crevices of porous materials, so the mold may be difficult or impossible to remove completely.*
5. *Avoid exposing yourself or others to mold (see discussions: What to Wear When Cleaning Moldy Areas (http://www.epa.gov/mold/whattowear.html) and Hidden Mold http://www.epa.gov/mold/hiddenmold.html).*
6. *Do not paint or caulk moldy surfaces. Clean up the mold and dry the surfaces before painting. Paint applied over moldy surfaces is likely to peel.*
7. *If you are unsure about how to clean an item, or if the item is expensive or of sentimental value, you may wish to consult a specialist. Specialists in furniture repair, restoration, painting, art restoration and conservation, carpet and rug cleaning, water damage, and fire or water restoration are commonly listed in phone books. Be sure to ask for and check references. Look for specialists who are affiliated with professional organizations.*

C. Owner/Occupant Duty. Because the Association does not have continual access to Units, the Association relies on Owners and Occupants to control the moisture levels in their Units, and to promptly identify and report water leaks and water penetrations in their Units. That a Unit is vacant or occupied by a person other than the Owner does not relieve the Owner from fulfilling his obligations to the Association and to the Owners of other Units.

D. Insurance. On the date of this Mold Policy, property insurance available to the Association does not include coverage of mold at a price that is affordable. An Owner who

wants insurance coverage with respect to mold and mold-related damages is advised to purchase such insurance coverage as part of his homeowners insurance policy.

E. Mold Reminders. Mold spores are a natural component of our environment. Mold spores are everywhere - in the outside air and inside of Units. In addition to air-borne mold, visible surface mold is a common occurrence in wet areas, such as showers. Air quality tests for mold are capable of being unreliable as determinates of a health problem.

RULES

1. Inspect for Surface Mold. Each Owner and Occupant will regularly inspect their entire Unit (including inside closets and cabinets and behind furniture and appliances) for visible surface mold and will promptly remove same using procedures recommended by an appropriate source, such as the U. S. Environmental Protection Agency (www.epa.gov). Similarly, the Owner and Occupant will be alert to odors associated with mold, and will try to locate the source of such odor when detected.

2. Inspect for Water Leaks. Each Owner and Occupant will regularly inspect their entire Unit (including inside closets and cabinets and behind furniture and appliances) for leaks, breaks, or malfunctions of any kind that may emanate from or cause damage to the Common Elements or another Unit. When possible, such inspection will be performed after rains when leaks from wind-driven rain are most likely to be evident. Typical indicators of water penetration problems include water leaks around windows, doors, flues, and vents; standing water on a floor; water stains on ceilings and walls.

3. Monitor Water Appliances. Each Owner and Occupant is responsible for the inspection, maintenance, repair, and replacement of all water-using appliances and fixtures in the Unit or serving the Unit exclusively, such as dishwashers, water heaters, washing machines, ice-makers, toilets, air conditioning drip pans, and shower pans. The Owner is solely responsible for any damage to the Owner's Unit, another Unit, or the Common Elements from the appliances and fixtures in the Owner's Unit or serving the Owner's Unit exclusively, regardless of the nature or exact location of the water source.

4. Report. An Owner and Occupant will promptly report to the Association the discovery of any leak, break, or malfunction in any portion of the Owner's Unit or the adjacent Common Elements for which the Association has a maintenance responsibility. The origin of a water leak can be difficult to locate and may require repeated attempts to repair. The failure of the Association or its contractors to effectively stop a water leak on the first repair attempt is not uncommon and must not dissuade an Owner or Occupant from re-reporting the leak on its next occurrence. The failure by an Owner and Occupant to promptly report a water leak or water penetration problem may be deemed negligence, thereby making the Owner and Occupant liable for any additional damage caused by the delay.

5. Mitigate. To mitigate damage from water leaks and penetrations, and to discourage mold, the Owner or Occupant of a Unit that experiences a water leak or penetration must promptly dry, clean, and disinfect the wet area. If the water penetration is inside a wall cavity or above a ceiling, the Owner or Occupant must inform the Association or Manager immediately.

6. Humidity. To discourage mold in his Unit, the Owner or Occupant should maintain an inside humidity level under sixty percent (60%). If condensation or moisture collects on windows, walls or pipes, the Owner or Occupant should promptly dry the wet surface and reduce the moisture/water source. Condensation can be a sign of high humidity.

7. Negligence. The failure to promptly and properly repair a water-related problem in a Unit may be deemed negligence by the Owner, who may be liable for any additional damage caused by the failure or the delay.

8. Information. For more information about mold, please consult a reliable source, such as "A Brief Guide to Mold, Moisture, and Your Home"- a brochure published by the U. S. Environmental Protection Agency, which is available on its website at http://www.epa.gov/mold/hiddenmold.html.

ATTACHMENT 7

RECORDS INSPECTION, COPYING, AND RETENTION POLICY

Terms used but not defined in this policy will have the meaning ascribed to such terms in that certain Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580 in the Official Public Records of Travis County, Texas, as may be amended (the "**Declaration**").

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 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 $.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)--$.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 50 or fewer pages of paper records, unless the documents to be copied are located in:

(A) Two 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 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 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 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 .20 = $3.00; or Programming labor charge, $28.50 x .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 .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 $.10 per page for standard size paper copies, plus any applicable labor and overhead charge for more than 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 8

RELIGIOUS DISPLAY POLICY

Terms used but not defined in this policy will have the meaning ascribed to such terms in that certain Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580 in the Official Public Records of Travis County, Texas, as may be amended (the "**Declaration**").

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 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 Board of Directors.

ATTACHMENT 9

VEHICLE CHARGING POLICY

Terms used but not defined in this policy will have the meaning ascribed to such terms in that certain Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580 in the Official Public Records of Travis County, Texas, as may be amended (the "**Declaration**").

1. Background. 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 are equipped with electric service (the "**Electric Service**") intended for use to charge an electric vehicle. Declarant during the Development Period, and the Association thereafter, may, from time to time, adopt additional rules and regulations related to the use of the Electric Service and each EV Charging Station.

3. Costs. 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; and (ii) 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. The Individual Assessment will be levied against all Serviced Owners without distinquishing between the costs incurred, or estimated to be incurred, by individual Serviced Owners. In other words, all costs to provide the Electric Service, including all electricity to provide the Electric Service, will be allocated uniformally among all Serviced Owners as an Individual Assessment. If the electricity consumed to provide the Electric Service is not submetered separately from the electricty consumed by the Common Elements, the Board may estimate the consumption of electricity consumed to provide the Electric Service.

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.
- 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.

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 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 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 Declarant.

ATTACHMENT 10

CASCADE CONDOMINIUMS
COMMUNITY MANUAL
CERTIFICATION AND ACKNOWLEDGMENT

As Declarant of Cascade Condominiums and the initial and sole member of Cascade Condominium Community, Inc. (the "**Association**"), I certify that the foregoing Cascade Condominiums Community Manual was adopted for the benefit of the Association as part of the initial project documentation for Cascade Condominiums, located in Travis County, Texas. This Community Manual becomes effective when recorded.

SIGNED on this 23rd day of August, 2022.

DECLARANT:

2501 N. LAMAR, LLC,
a Texas limited liability company

By: **Pearlstone Management I, LLC,**
a Texas limited liability company
its Manager

By: _____
Name: Robert Lee
Title: Manager

THE STATE OF TEXAS §

COUNTY OF Travis §

This instrument was acknowledged before me this 23rd day of August, 2022 by Robert Lee, Manager of Pearlstone Management I, LLC, a Texas limited liability company, Manager of 2501 N. Lamar, LLC, a Texas limited liability company, on behalf of said limited liability company.

(SEAL)

_____
Notary Public Signature

SHIRLEY ARREDONDO
Notary ID #129947888
My Commission Expires
September 8, 2022

10 pgs 2022156662

RESTRICTIVE COVENANT

(City of Austin – Vertical Mixed Use)

Date:	July 29, 2022
Owner:	2501 N Lamar LLC
Owner Address:	2501 N Lamar LLC 7421 Burnet Road #274 Austin, Texas 78757
City:	City of Austin, Texas, a Texas home rule municipal corporation
City's Address:	P.O. Box 1088, Austin, Texas 78767-1088
Property:	The Property is located at 2500 Longview St., Austin, Texas 78705 and more particularly described on **Exhibit A** attached hereto.
Project:	Development of an condominium building upon the Property identified as Case No. SP-2019-0052C in the City of Austin's Development Services Department.

Recitals

A. Owner has a received a density bonus under Vertical Mixed Use Program.

B. In return for receiving the density bonus, Owner agrees to the terms of this Restrictive Covenant in which a portion of the owner-occupied units will be income restricted.

Agreement

NOW, THEREFORE, it is declared that the Owner of the Property, for and in consideration of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration paid to the Owner, the receipt and sufficiency of which is hereby acknowledged, agrees to own, hold, develop use, sell, and convey the Property subject to the following covenants and restrictions impressed upon the Property by this Restrictive Covenant. This Restrictive

Covenant runs with the Property and is binding on Owner of the Property, its heirs, successors, transferees, and assigns.

1. **Restrictive Covenants.** During the term of this Restrictive Covenant the Property must provide the following:

a. At least 5% of the owner-occupied units on the Property (6 owner-occupied units) must be reserved as affordable for ownership and occupancy by households earning no more than 80% of the current Annual Median Family Income (MFI) for the Austin-Round Rock Metropolitan Statistical Area (MSA) as determined by the Director of the City's Housing and Planning Department.

b. At least 5% of the owner-occupied units (6 owner-occupied units) must be reserved as affordable for ownership and occupancy by households earning no more than 100% MFI for the MSA as determined by the Director of the City's Housing and Planning Department.

c. An owner-occupied unit is affordable if the household is required to spend no more than 30% of its gross monthly income on utilities and mortgage payments for the owner-occupied unit as determined by the City's Housing and Planning Department. Sales prices of the restricted owner-occupied units are established annually by the Housing and Planning Department.

2. **Compliance and Monitoring.** The Housing and Planning Department will conduct compliance and monitoring of the affordability requirements of this Restrictive Covenant. The Director of Housing and Planning Department will establish compliance and monitoring guidelines and criteria for implementing the affordability requirements of this Restrictive Covenant.

3. **Modification and Amendment.** This Restrictive Covenant may be modified, amended, or terminated only upon the filing of a modification, amendment, or termination in the Official Public Records of Travis County, Texas, executed, acknowledged, and approved by (i) the Owner; and (ii) the officer or employee signing on behalf of the City. The joint action becomes effective only after it is reduced to writing and signed by the parties listed above.

4. **Duration.** This Restrictive Covenant is effective until the earlier of: (i) the 99th anniversary of the date of the certificate of occupancy of the restricted owner-occupied units, (ii) such time as the Project ceases to exist, (iii) such time as the Property is redeveloped without the use of density bonuses, or (iv) such time as this Restrictive Covenant is modified, amended, or terminated in accordance with Section 3 (Modification and Amendment) of this Restrictive Covenant. When required, the City will sign a release, provided the Project has remained in compliance with the affordability requirements in this Restrictive Covenant.

5. **Violation.** If any person or entity violates this Restrictive Covenant, it is lawful for the City to prosecute proceedings at law or in equity against such person or entity violating, or threatening to violate, this Restrictive Covenant.

6. **No Waiver.** The failure to enforce any provision of this Restrictive Covenant at any time does not constitute a waiver of the right thereafter to enforce any such provision or any other provision of this Restrictive Covenant. A violation of any provision of this Restrictive Covenant is not grounds for, nor gives rise to the modification, amendment, or termination of any provision of this Restrictive Covenant.

7. **Governing Law; Place of Performance.** This Restrictive Covenant and all rights and obligations hereunder are governed by the laws of the State of Texas. This Restrictive Covenant is performable only in the county where the Property is located.

8. **Severability.** The provisions of this Restrictive Covenant are deemed to be independent and severable, and the invalidity or partial invalidity of any provision or portion does not affect the validity or enforceability of any other provision.

9. **Entire Agreement.** This Restrictive Covenant contains the entire agreement between the parties with respect to the subject matter hereof. Any prior correspondence, memoranda, or agreement is superseded in total.

10. **Counterparts.** This Restrictive Covenant may be executed in any number of counterparts which will, together, be considered to constitute one document.

11. **Interpretation.** Regardless of which party prepared the initial draft of this Restrictive Covenant, this Restrictive Covenant will, in the event of any dispute, be interpreted fairly and reasonably and neither more strongly for nor against any party.

[Remainder of page intentionally left blank]

EXECUTED to be effective as of the date first written above.

OWNER: **2501 N. Lamar, LLC**
a Texas limited liability company

By: Pearlstone Management I, LLC
a Texas limited liability company
Its Manager

By: _____
Robert Lee
Manager

THE STATE OF TEXAS §
§
COUNTY OF Travis § §

This instrument was acknowledged before me on this the 27th day of July 2022, by Robert Lee, Manager of Pearlstone Management I, LLC, a Texas limited liability company, Manager of 2501 N. Lamar, LLC, a Texas limited liability company, on behalf of said limited liability company.

_____
Notary Public, State of 9/8/22

SHIRLEY ARREDONDO
Notary ID #129947888
My Commission Expires
September 8, 2022

[Remainder of page intentionally left blank]

CITY: **CITY OF AUSTIN**
a Texas home rule municipal corporation

By: _____
J. Rodney Gonzales
Assistant City Manager

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this the _____ day of _____, 2022, by J. Rodney Gonzales, Assistant City Manager of the City of Austin, a municipal home-rule corporation, on behalf of said municipal corporation.

_____
Notary Public, State of Texas

APPROVED AS TO FORM:

_____
M. Shannon Kackley
Assistant City Attorney
City of Austin

AFTER RECORDING RETURN TO:
Housing and Planning Department
1000 East 11th Street, Suite 200
Austin, TX 78702
Attn: Chanda Gaither

CITY: **CITY OF AUSTIN**
a Texas home rule municipal corporation

By: _____
J. Rodney Gonzales
Assistant City Manager

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this the 16 day of September, 2022, by J. Rodney Gonzales, Assistant City Manager of the City of Austin, a municipal home-rule corporation, on behalf of said municipal corporation.

_____
Notary Public, State of Texas

APPROVED AS TO FORM:
M. Shannon Kackley
M. Shannon Kackley
Assistant City Attorney
City of Austin

ROBIN HARVEY
Notary Public, State of Texas
Comm. Expires 02-21-2024
Notary ID 126915604

AFTER RECORDING RETURN TO:
Housing and Planning Department
1000 East 11th Street, Suite 200
Austin, TX 78702
Attn: Chanda Gaither

CONSENT OF LIENHOLDER

THE UNDERSIGNED, being the holder of a lien on the property of which the Declaration of Restrictive Covenant Regarding Affordable Housing Requirements, (the "**Restrictive Covenant**") is a part, pursuant to the Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing, dated September 18, 2020, recorded in Document No. 2020172963 of the Official Public Records of Travis County, Texas, hereby consents to the foregoing Amendment and agrees that its lien is subject and subordinate to the Amendment, and that the undersigned has authority to execute and deliver this Consent of Lienholder, and that all necessary acts necessary to bind the undersigned lienholder have been taken.

NAME OF LIENHOLDER:

KHRE SMA FUNDING, LLC,
a Delaware limited liability company

By: _____
Name: Laura L. Torrado
Title: Authorized Signatory

Date: August 9th, 2022

ACKNOWLEDGEMENT

STATE OF NEW YORK §

COUNTY OF NEW YORK §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Laura L. Torrado, Authorized Signatory of KHRE SMA Funding, LLC, a Delaware limited liability company, Lienholder herein, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged that she executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 9th day of August, 2022.

(SEAL)

Nikki Nociforo
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01NO6418572
Qualified in New York County
Commission Expires June 14, 2025

Nikki Nociforo
Notary Public-State of New York

EXHIBIT A

FIELD NOTE DESCRIPTION OF 0.989 ACRE OF LAND, BEING PORTIONS OF LOTS 1, 2, 3 4, AND 5, BLOCK 4, ROBARD'S SUBDIVISION OF OUTLOTS 43, 44, 45, 54 AND 55, DIVISION D, A SUBDIVISION IN TRAVIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 1 PAGE 12 OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS, AND BEING ALL OF THAT CERTAIN TRACT OF LAND AS CONVEYED TO LITTLEFIELD CORPORATION BY SPECIAL WARRANTY DEED RECORDED IN DOCUMENT No. 2001106999 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a capped iron rod found (marked "D. Seelig") at the point of intersection of the North right-of-way line of West 25th Street and the West right-of-way line of Longview Street for the Southeast corner of Lot 1, Block 4, Robard's Subdivision of Outlots 43, 44, 45, 54 and 55, Division D, a subdivision in Travis Country, Texas, according to the map or plat thereof recorded in Volume 1 Page 12 of the Plat Records of Travis County, Texas, and being the Southeast corner of that certain tract of land as conveyed to Littlefield Corporation by Special Warranty Deed recorded in Document No. 2001106999 of the Official Public Records of Travis County, Texas, and being the Southeast corner and PLACE OF BEGINNING of the herein described tract of land;

THENCE with the North right-of-way line of West 25th Street and with the South line of said Lot 11 N 83 deg. 58' 13" W 196.50 ft. to a 1/2" iron rod set with a plastic cap imprinted with "Holt Carson, Inc." for the Southwestern corner of said Littlefield Corporation tract and for the Southeast corner of that certain tract of land as conveyed to the City of Austin by deed recorded in Volume 448 Page 86 of the Deed Records of Travis County, Texas, same being the Southwest corner of this tract;

THENCE leaving the North right-of-way line of West 25th Street and crossing the interiors of Lots 1, 2, 3, 4 and 5 in said Block 4 of Robard's Subdivision, and with the common line of said Littlefield Corporation tract and said City of Austin tract, the following two courses:

1. N 16 deg. 29' 23" E 220.19 ft. to a capped iron rod found (marked "D.Seelig");

2. N 29 deg. 56' 14" E 36.09 ft. to round head bolt found in the common line of Lot and Lot 6 in said Block 4 of Robard's Subdivision, for the Northwest corner of said Littlefield Corporation tract and for the Southwest corner of that certain (0.6662 acre) tract of land as conveyed to Baustin Nob Hill, Ltd. by Warranty Deed recorded in Volume 13117 Page 1962 of the Real Property Records of Travis County, Texas, and being the Northwest corner of this tract; 0.989 Acre tract

THENCE with the common line of said Lot 5 and Lot 6 and with the common line of said Littlefield Corporation tract and said Baustin Nob Hill (0.6662 acre) tract, S 84 deg. 10' 28" E 141.04 ft. to a 1/2" iron rod found in the West right-of-way line of Longview Street for the Northeast corner of said Lot 5 and the Southeast corner of said Lot 6 and for the Northeast corner of said Littlefield Corporation tract and for the Southeast corner of said Baustin Nob Hill (0.6662 area) tract, same being the Northeast corner of this tract;

THENCE with the West right-of-way line of Longview Street and with the East line of said Littlefield Corporation tract, S 05 deg. 50' 00" W 250.03 ft. to the PLACE OF BEGINNING, containing 0.989 acre of land.

Recorders Memorandum-At the time of recordation this instrument was found to be inadequate for the best reproduction, because of illegibility, carbon or photocopy, discolored paper, etc. All blockouts, additions and changes were present at the time the instrument was filed and recorded.

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Rebecca Guerrero, County Clerk
Travis County, Texas

2022156662 **Sep 22, 2022 12:22 PM**

Fee: $62.00 **PEREZTA**

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Rebecca Guerrero, County Clerk
Travis County, Texas
Oct 24, 2022 02:47 PM Fee: $30.00
2022171164
Electronically Recorded

NON-MATERIAL CORRECTION INSTRUMENT

(Pursuant to Section 5.028, Texas Property Code)

DECLARATION OF CONDOMINIUM REGIME FOR CASCADE CONDOMINIUMS

TO THE COUNTY CLERK:

PLEASE INDEX THIS INSTRUMENT UNDER THE NAMES OF THE PARTIES TO THE INSTRUMENT BEING CORRECTED:

DECLARANT: **2501 N. LAMAR, LLC**, a Texas limited liability company

State of Texas §
County of Travis §

"Original Instrument"

Document Type: Declaration of Condominium Regime
Recording Date: December 27, 2021
Recording Information: 2021279580

2501 N. LAMAR, LLC, a Texas limited liability company ("**Declarant**"), is the Declarant pursuant to that certain Declaration of Condominium Regime for Cascade Condominiums, recorded under Document No. 2021279580, in the Official Public Records of Travis County, Texas (the "**Declaration**"). This instrument is made as a correction to the Declaration as originally recorded.

Section 2.5.1 of the Declaration inadvertently omitted the number of the City Ordinance referenced therein. This instrument is executed in order to provide the City Ordinance number.

Jarrett Hayman, as evidenced by his signature below, is an employee of Winstead PC, which firm is retained to represent Declarant. He has personal knowledge of the relevant facts and has examined the Declaration and has determined that a nonmaterial error exists that can be properly corrected through the recordation of this instrument.

By the recordation of this instrument, Section 2.5.1 of the Declaration is corrected to read as follows:

2.5.1. Compliance with Affordable Housing Requirements. The Declarant is required by the Vertical Mixed Use zoning approved for the Property in City Ordinance No. 20180201-121 and must meet the requirements of City of Austin's Land Development Code, 25-2 Subchapter E-4.3.3.F(1) to provide

affordable housing and the Declarant shall restrict 5% percent of the ownership of Residential Units in the Regime as affordable for not less than 99 years from the date a certificate of occupancy is issued, for ownership and occupancy by households earning no more than 80% of the current Annual Median Family Income for the Austin-Round Rock Metropolitan Statistical Area as determined annually by the United States Department of Housing and Urban Development and Declarant shall restrict 5% percent of the ownership Residential Units in the Regime as affordable for not less than 99 years from the date a certificate of occupancy is issued, for ownership and occupancy by households earning no more than 100% of the current Annual Median Family Income for the Austin-Round Rock Metropolitan Statistical Area as determined annually by the United States Department of Housing and Urban Development. In the event the United States Department of Housing and Urban Development ceases publication of this information, the Annual Median Family Income for the Austin-Round Rock Metropolitan Statistical Area will be determined by the Neighborhood Housing and Community Development Department, or its successor, at the City.

Other than the stated correction above, this instrument is intended to restate in all aspects the Declaration and the Effective Date of this instrument relates back to the effective date of the Declaration.

Upon execution, a copy of this instrument shall be sent via U.S. First Class Mail to each party to the original Declaration in accordance with the provisions of Sections 5.028(d)(2) of the Texas Property Code.

Jarrett Hayman

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on October 24, 2022, by Jarrett Hayman, known personally to me.

[SEAL]

JANIS CARMEN
Notary Public, State of Texas
Notary ID 12508788-6
My Commission Exp. 10-15-2024

NOTARY PUBLIC, State of Texas
My Commission Expires: 10/15/2024
Printed Name: Janis Carmen

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Rebecca Guerrero, County Clerk
Travis County, Texas
Nov 09, 2022 10:21 AM Fee: $ 138.00
2022178184
Electronically Recorded

This page is intentionally added for electronic file stamp.

AMENDED AND RESTATED RESTRICTIVE COVENANT FOR CASCADE CONDOMINIUMS

(City of Austin – Vertical Mixed Use)

Date: ~~October~~ November 1, 2022

Owner: 2501 N. Lamar LLC, a Texas limited liability company

Owner Address: 2501 N Lamar LLC
7421 Burnet Road #274
Austin Texas 78757

City: City of Austin, Texas, a Texas home rule municipal corporation

City's Address: P.O. Box 1088, Austin, Texas 78767-1088

Property: The Property is located at 2500 Longview St., Austin, Texas 78705 and more particularly described on **Exhibit A** attached hereto.

Project: Development of a condominium building upon the Property identified as **Case No. SP-2019-0052C** in the City of Austin's Development Services Department.

Recorded Restrictive Covenant: Dated July 29, 2022 and filed under Document No. 2022156662 of the Official Public Records of Travis County, Texas.

Recitals

A. Owner has a received a density bonus under the City's Vertical Mixed Use Program.

B. In return for receiving the density bonus, Owner agrees to the terms of this Restrictive Covenant in which a portion of the owner-occupied units will be income restricted.

C. The original Restrictive Covenant executed by Owner and City was filed of recorded without the Affordable Housing Agreement and Covenant attached as an attachment.

D. Owner and City desire to amend and restate the Restrictive Covenant in order to include the Affordable Housing Agreement and Covenant as an attachment.

Agreement

NOW, THEREFORE, it is declared that the Owner of the Property, for and in consideration of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration paid to the Owner, the receipt and sufficiency of which is hereby acknowledged, agrees to own, hold, develop use, sell, and convey the Property subject to the following covenants and restrictions impressed upon the Property by this Restrictive Covenant. This Restrictive Covenant runs with the Property and is binding on Owner of the Property, its heirs, successors, transferees, and assigns.

1. **Restrictive Covenants.** During the term of this Restrictive Covenant the Property must provide the following:
   a. At least 5% of the owner-occupied units on the Property (6 owner-occupied units) must be reserved as affordable for ownership and occupancy by households earning no more than 80% of the current Median Family Income (MFI) for the Austin-Round Rock Metropolitan Statistical Area (MSA) as determined by the Director of the City's Housing and Planning Department.
   b. At least 5% of the owner-occupied units (6 owner-occupied units) must be reserved as affordable for ownership and occupancy by households earning no more than 100% MFI for the MSA as determined by the Director of the City's Housing and Planning Department.
   c. An owner-occupied unit is affordable if the household spends no more than 30% of its gross monthly income on utilities and mortgage payments for the owner-occupied unit as determined by the City's Housing and Planning Department. Sales prices of the restricted, owner-occupied units are established annually by the Housing and Planning Department.

2. **Compliance and Monitoring.** The Housing and Planning Department will conduct compliance and monitoring of the affordability requirements of this Restrictive Covenant. The Director of Housing and Planning Department will establish compliance and monitoring guidelines and criteria for implementing the affordability requirements of this Restrictive Covenant.

3. **Resale Restrictions**. Owner must utilize deed restrictions, covenants running with the land related to the restricted, owner-occupied units substantially similar to **Attachment A** or other similar mechanism to impose the resale requirements on Eligible Households for the duration of this Restrictive Covenant. Owner may use purchase options, rights of first refusal or other preemptive rights to purchase the restricted, owner-occupied units before foreclosure to preserve affordability.

4. **Modification and Amendment**. This Restrictive Covenant may be modified, amended, or terminated only upon the filing of a modification, amendment, or termination in the Official Public Records of Travis County, Texas, executed, acknowledged, and approved by (i) the Owner; and (ii) the officer or employee signing on behalf of the City. The joint action becomes effective only after it is reduced to writing and signed by the parties listed above.

5. **Duration**. This Restrictive Covenant is effective until the earlier of: (i) the 99th anniversary of the date of the certificate of occupancy of the restricted owner-occupied units, (ii) such time as the Project ceases to exist, (iii) such time as the Property is redeveloped without the use of density bonuses, or (iv) such time as this Restrictive Covenant is modified, amended, or terminated in accordance with Section 4 (Modification and Amendment) of this Restrictive Covenant. When required, the City will sign a release, provided the Project has remained in compliance with the affordability requirements in this Restrictive Covenant.

6. **Violation**. If any person or entity violates this Restrictive Covenant, it is lawful for the City to prosecute proceedings at law or in equity against such person or entity violating, or threatening to violate, this Restrictive Covenant.

7. **No Waiver.** The failure to enforce any provision of this Restrictive Covenant at any time does not constitute a waiver of the right thereafter to enforce any such provision or any other provision of this Restrictive Covenant. A violation of any provision of this Restrictive Covenant is not grounds for, nor gives rise to the

modification, amendment, or termination of any provision of this Restrictive Covenant.

8. **Governing Law; Place of Performance**. This Restrictive Covenant and all rights and obligations hereunder are governed by the laws of the State of Texas. This Restrictive Covenant is performable on the Property.

9. **Severability**. The provisions of this Restrictive Covenant are deemed to be independent and severable, and the invalidity or partial invalidity of any provision or portion does not affect the validity or enforceability of any other provision.

10. **Entire Agreement**. This Restrictive Covenant contains the entire agreement between the parties with respect to the subject matter hereof. Any prior correspondence, memoranda, or agreement is superseded in total.

11. **Counterparts**. This Restrictive Covenant may be executed in any number of counterparts which will, together, be considered to constitute one document.

12. **Interpretation**. Regardless of which party prepared the initial draft of this Restrictive Covenant, this Restrictive Covenant will, in the event of any dispute, be interpreted fairly and reasonably and neither more strongly for nor against any party.

[Remainder of page intentionally left blank]

EXECUTED to be effective as of the date first written above.

OWNER: **2501 N. Lamar, LLC**
a Texas limited liability company

By: Pearlstone Management I, LLC
a Texas limited liability company
Its Manager

By: _____
Shirley Arredondo
Authorized Signatory

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this the 7 day of November 2022, by Shirley Arredondo, Authorized Signatory of Pearlstone Management I, LLC, a Texas limited liability company, Manager of 2501 N. Lamar, LLC, a Texas limited liability company, on behalf of said limited liability company.

SANDRA L. AXT-RICHTER
Notary Public, State of Texas
Notary ID# 12992515-2
My Commission Expires
AUGUST 19, 2026

_____
Notary Public, State of _____

[Remainder of page intentionally left blank]

CITY: **CITY OF AUSTIN**
a Texas home rule municipal corporation

By: _____
J. Rodney Gonzales
Assistant City Manager

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this the 3 day of November, 2022, by J. Rodney Gonzales, Assistant City Manager of the City of Austin, a municipal home-rule corporation, on behalf of said municipal corporation.

_____
Notary Public, State of Texas

APPROVED AS TO FORM:

_____
M. Shannon Kackley
Assistant City Attorney
City of Austin

ROBIN HARVEY
Notary Public, State of Texas
Comm. Expires 02-21-2024
Notary ID 126915604

AFTER RECORDING RETURN TO:
Housing and Planning Department
1000 East 11th Street, Suite 200
Austin, Texas 78702
Attn: Chanda Gaither

EXHIBIT A

FIELD NOTE DESCRIPTION OF 0.989 ACRE OF LAND, BEING PORTIONS OF LOTS 1, 2, 3 4, AND 5, BLOCK 4, ROBARD'S SUBDIVISION OF OUTLOTS 43, 44, 45, 54 AND 55, DIVISION D, A SUBDIVISION IN TRAVIS COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 1 PAGE 12 OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS, AND BEING ALL OF THAT CERTAIN TRACT OF LAND AS CONVEYED TO LITTLEFIELD CORPORATION BY SPECIAL WARRANTY DEED RECORDED IN DOCUMENT No. 2001106999 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a capped iron rod found (marked "D. Seelig") at the point of intersection of the North right-of-way line of West 25th Street and the West right-of-way line of Longview Street for the Southeast corner of Lot 1, Block 4, Robard's Subdivision of Outlots 43, 44, 45, 54 and 55, Division D, a subdivision in Travis Country, Texas, according to the map or plat thereof recorded in Volume 1 Page 12 of the Plat Records of Travis County, Texas, and being the Southeast corner of that certain tract of land as conveyed to Littlefield Corporation by Special Warranty Deed recorded in Document No. 2001106999 of the Official Public Records of Travis County, Texas, and being the Southeast corner and PLACE OF BEGINNING of the herein described tract of land;

THENCE with the North right-of-way line of West 25th Street and with the South line of said Lot 11 N 83 deg. 58' 13" W 196.50 ft. to a 1/2" iron rod set with a plastic cap imprinted with "Holt Carson, Inc." for the Southwestern corner of said Littlefield Corporation tract and for the Southeast corner of that certain tract of land as conveyed to the City of Austin by deed recorded in Volume 448 Page 86 of the Deed Records of Travis County, Texas, same being the Southwest corner of this tract;

THENCE leaving the North right-of-way line of West 25th Street and crossing the interiors of Lots 1, 2, 3, 4 and 5 in said Block 4 of Robard's Subdivision, and with the common line of said Littlefield Corporation tract and said City of Austin tract, the following two courses:

1. N 16 deg. 29' 23" E 220.19 ft. to a capped iron rod found (marked "D.Seelig");

2. N 29 deg. 56' 14" E 36.09 ft. to round head bolt found in the common line of Lot and Lot 6 in said Block 4 of Robard's Subdivision, for the Northwest corner of said Littlefield Corporation tract and for the Southwest corner of that certain (0.6662 acre) tract of land as conveyed to Baustin Nob Hill, Ltd. by Warranty Deed recorded in Volume 13117 Page 1962 of the Real Property Records of Travis County, Texas, and being the Northwest corner of this tract; 0.989 Acre tract

THENCE with the common line of said Lot 5 and Lot 6 and with the common line of said Littlefield Corporation tract and said Baustin Nob Hill (0.6662 acre) tract, S 84 deg. 10' 28" E 141.04 ft. to a 1/2" iron rod found in the West right-of-way line of Longview Street for the Northeast corner of said Lot 5 and the Southeast corner of said Lot 6 and for the Northeast corner of said Littlefield Corporation tract and for the Southeast corner of said Baustin Nob Hill (0.6662 area) tract, same being the Northeast corner of this tract;

THENCE with the West right-of-way line of Longview Street and with the East line of said Littlefield Corporation tract, S 05 deg. 50' 00" W 250.03 ft. to the PLACE OF BEGINNING, containing 0.989 acre of land.

CONSENT OF LIENHOLDER

THE UNDERSIGNED, being the holder of the lien on the property of which the Amended and Restated Restrictive Covenant for Cascade Condominiums (the "Restrictive Covenant") is a part, pursuant to the Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing, dated September 8, 2020, recorded in Document No. 2020172963 of the Official Public Records of Travis County, Texas, hereby consents to the foregoing Restrictive Covenant and agrees that its lien is subject and subordinate to the Restrictive Covenant, and that the undersigned has authority to execute and deliver this Consent of Lienholder, and that all acts necessary to bind the undersigned lienholder have been taken.

Lienholder: KHRE SMA FUNDING, LLC
a Delaware limited liability company

By: _____
Laura L. Torrado
Authorized Signatory

Date: 11/1/22

ACKNOWLEDGEMENT

STATE OF NEW YORK §
COUNTY OF NEW YORK §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Laura L. Torrado, Authorized Signatory of KHR ESMA Funding, LLC, a Delaware limited liability company, Lienholder herein, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged that she executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 1st day of November 2022.

(SEAL) _____

Notary Public-State of New York

Nikki Nociforo
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01NO6418572
Qualified in New York County
Commission Expires June 14, 2025

ATTACHMENT A

NOTICE OF CONFIDENTIALITY RIGHTS: If you are a natural person, you may remove or strike any or all of the following information from any instrument that transfers an interest in real property before it is filed for record in the Public Records: Your Social Security number or your driver's license number.

AFFORDABLE HOUSING AGREEMENT AND COVENANT

(RESALE RESTRICTION AGREEMENT AND COVENANT
LIMITATIONS ON RESALE PRICE and BUYER INCOME)

Compliance with the provisions of this Covenant is a requirement of title.

This Affordable Housing Agreement and Covenant ("Covenant") is entered into as of the _____ ("Effective Date"), by and between **2501 N. Lamar, LLC,** a Texas limited liability company ("Grantor"), the **CITY OF AUSTIN, TEXAS**, a Texas municipal corporation ("City"), and _____ ("First Owner"). This Covenant applies only to the following described real property, including improvements, in Travis County, Texas:

[Insert Legal Description Here]

("Affordable Unit").

RECITALS

WHEREAS, the Affordable Unit is subject to the Affordable Housing Declaration defined in Section 1; and

WHEREAS, the Affordable Housing Declaration requires, inter alia, that the Declarant impose this Covenant on the Affordable Unit; and

WHEREAS, in accordance with such requirement, Declarant has agreed to impose the affordable housing restrictions set forth in this Covenant against the Affordable Unit; and

WHEREAS, City supports the goal of preserving affordable homeownership opportunities for low and moderate-income households through long term affordability strategies; and

WHEREAS, City and Grantor recognize the special nature of the terms of this Covenant, and each of them accepts these terms, including those terms that affect the marketing and resale price of the Affordable Unit; and

WHEREAS, City and Grantor agree that the terms of this Covenant further their shared goals over an extended period of time and through a succession of owners; and

WHEREAS, Subsequent Owners of the Affordable Unit will benefit from the limitations on the resale purchase price which this Covenant requires; and

WHEREAS, the intent of City and Grantor is to preserve through this Covenant the affordability of the Affordable Unit for Eligible Households, including their surviving spouse, domestic partner, lineal descendants or siblings, and to assign to City the right to enforce compliance with this Covenant.

NOW THEREFORE, in consideration of the benefits received by the parties, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Definitions**

The following terms have the following meanings herein:

"*Acknowledgment of Affordability Restrictions*" means an acknowledgement in substantially the form of *Exhibit 1* attached hereto, confirming Owner's review and understanding of the terms and conditions of this Covenant.

"*Affordable Housing Declaration*" means the Amended and Restated Restrictive Covenant for Cascade Condominiums recorded under Document No. _____ of the Official Public Records of Travis County, Texas.

"*AMSA*" means the Austin-Round Rock, Texas Metropolitan Statistical Area.

"*Asset Limits*" means aggregate personal assets, including cash, personal property and real property assets of not more than $60,000, excluding employer or tax deferred retirement plan assets and any amount used as the down payment for the Affordable Unit.

"*Certified*" means written acknowledgement of City that an individual is an Eligible Buyer, Owner, or Income-Qualified Person, based on the individual's previous year federal income tax return and year-to-date income statements, or paycheck stubs, as the case may be, and meets the requirements of this Covenant for ownership of an Affordable Unit.

"*City*" means the City of Austin, Texas, a Texas home rule municipality.

"*Condominium Declaration*" means the Cascade Condominiums, as fully described in and as located, delineated and as defined in the Declaration of Condominium Regime for Cascade

Condominiums, recorded under **Document No. 2021279580**, as corrected under **Document No. 2022171164**, Official Public Records of Travis County, Texas.

"*Condominium Project*" means the Project defined in the Condominium Declaration.

"*Declarant*" means the person or entity who executed and filed in the Office Public Records the Affordable Housing Declaration.

"*Eligible Buyer*" means an Income-Qualified Person whose annual household earns no more than 80% or 100%, as applicable, of the current annual MFI for the AMSA, has been certified by City as meeting its Asset Limits and Income Limits, and has been qualified by an Institutional Lender for a mortgage to be used to purchase the Affordable Unit.

"*Eligible Capital Improvement*" means a permanent improvement to the Affordable Unit made during Owner's ownership of the Affordable Unit for which Owner will receive credit at resale if the permanent improvement is one which meets City capital improvement policy, which includes the following: (a) has a cost in excess of 5% of the Affordable Sales Price originally paid by Owner; (b) has a useful life of greater than 10 years; and (c) has been made with all required permits and approvals, including owner's association and governmental approvals obtained prior to the construction or installation of the Capital Improvement(s).

"*Eligible Household*" means a household that has been certified in writing by the City as Meeting the City's Asset Limits and Income Limits.

"*First Deed of Trust*" means a deed of trust or mortgage which is recorded senior to any other deeds of trust or liens against the Affordable Unit to secure a loan used to purchase the Affordable Unit made by an Institutional Lender.

"*First Owner*" means the buyer who purchases the Affordable Unit from Grantor.

"*Grantor*" means the entity or person identified in the Preamble and who transfers the Affordable Unit to the First Owner.

"*HUD*" means the United States Department of Housing and Urban Development or any successor United States Government department, agency, or instrumentality.

"*HUD Low Income Limit*" means the maximum gross household income which allows a household to be considered "low income" for the purposes of HUD financial assistance. These limits are reported annually by HUD and reflect the low-income limit for a particular area.

"*Income*" means the definition of income under Section 8 of the United States Housing Act of 1937, codified at 42 U.S.C.S. § 1437a(b)(1990), as further determined by the United States Secretary of Agriculture in 24 CFR § 813.106 (1997). In the event that Section 8 is repealed or the definition of income under Section 8 is substantially modified, then "income" means the anticipated total income for the next twelve month period received from all sources by each member of the household, excluding, temporary or non-recurring income (including gifts), income from the

employment of children under age 18, payments for the care of foster children or foster adults, and amounts received specifically for the reimbursement of medical expenses for a member of the household.

"*Income Limits*" means a projected Income of not more than 80%__ or 100%__, as applicable of MFI for the AMSA as defined annually by HUD, adjusted to reflect the family size of the Eligible Buyer or Eligible Buyers.

"*Income-Qualified Person(s)*" means a person or persons who has been certified in writing by City as meeting City's Asset Limits and Income Limits.

"*Institutional Lender*" means any bank or any other institutional lender which is licensed to engage in the business of providing purchase money mortgage financing for residential real property.

"*Median Family Income" or "MFI*" means the Median Family Income reported annually for single persons and households of various sizes by HUD for AMSA.

"*Notice of Exercise of Right*" means the City's written notice to Owner of its exercise of its Purchase Right or assignment of such right to an Eligible Buyer.

"*Notice of Waiver of Right*" means City's written notice to Owner of its waiver of its Purchase Right.

"*Owner*" means any buyer, devisee, transferee, grantee, owner, First Owner, Subsequent Owner, or holder of title of the Affordable Unit or any interest in the Affordable Unit.

"*Purchase Right*" means City's right to purchase the Affordable Unit as provided in Section 6B of this Covenant.

"*Subsequent Owner*" is each buyer of the Affordable Unit other than the First Owner.

"*Transfer*" or "*transfer*" means any sale, assignment, or transfer, voluntary, involuntary or by operation of law (whether by deed, contract of sale, gift, devise, or bequest) of any interest in the Affordable Unit, including a fee simple interest, a joint tenancy interest, a tenancy in common, a life estate, a leasehold interest (except for a lease allowed by this Covenant), or any interest evidenced by a contract for sale by which possession of the Affordable Unit is transferred and Owner retains title.

2. **Requirement of Title and Term of Affordability**

Compliance with the provisions of this Covenant is a requirement of title. Eligible Buyers must have a valid written income certification from City approved at least 120 days prior to the closing of the purchase of the Affordable Unit in order to be eligible to purchase the Affordable Unit.

3. **Term**

This Covenant remains in effect for a period of 99 years from the Effective Date ("Covenant Term") unless City, its successor or assigns, executes and records a notice of termination in the Official Records of Travis County, Texas.

4. **Required Conveyance Deed Language**

Grantor and each Owner shall include the following language in 12-point type and in all caps on the front page of any document transferring an interest in the Affordable Unit:

> THIS DEED IS DELIVERED AND ACCEPTED SUBJECT TO THE PROVISIONS AND CONDITIONS SET FORTH IN THAT CERTAIN AMENDED AND RESTATED RESTRICTIVE COVENANT FOR CASCADE CONDOMINIUMS, DATED AS OF _____ AND RECORDED UNDER DOCUMENT NO. _____ OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS.

5. **Eligible Buyers**

A. Except as provided by Section 6(C), title to the Affordable Unit may only be transferred to an Eligible Buyer, Eligible Household, or Income-Qualified Person; provided, however, upon the death of an Owner, the Affordable Unit may be transferred to the surviving spouse, domestic partner, lineal descendants, or siblings of Owner without any of such persons having to requalify as an Eligible Buyer. In order to qualify as an Eligible Buyer, the buyer's assets cannot exceed the Asset Limits and the buyer's projected income may not be more than 80% or 100%, as applicable of the MFI, adjusted to reflect the family size of the Eligible Buyer, Eligible Household, or Income-Qualified Person, as calculated by City.

B. The following transfers are exceptions to the above qualification requirement as an Eligible Buyer, Eligible Household, or Income-Qualified Person, provided that each Owner, other than an estate, must use the Affordable Unit as Owner's principal residence:

(i) A transfer resulting from the death of an Owner where the transfer is to the spouse or domestic partner of Owner.

(ii) A transfer to Owner's estate following Owner's death for the purpose of administering the estate and distributing the assets thereof during a limited period of time.

(iii) A transfer resulting from the death of an Owner when the transfer is to one or more lineal descendants or heirs of the deceased Owner.

(iv) A transfer which occurs at a foreclosure sale of the Affordable Unit by the Institutional Lender holding the First Deed of Trust.

(v) A deed in lieu of foreclosure transferring the Affordable Unit to the Institutional Lender holding the First Deed of Trust.

Any other beneficiaries, heirs, legatees, or devisees of Owner must be certified by City to be Income-Qualified Persons in order to retain title to an Affordable Unit. Any beneficiaries, heirs, legatees or devisees who do not meet the requirements to be certified as an Income-Qualified Person will be required to transfer their interest in the Affordable Unit within 180 days of their receipt of title to the Affordable Unit. Such transfer must be in accordance with Section 6.

6. **Transfer of Ownership through Sale or Exchange.**

A. If Owner desires to transfer the Affordable Unit, Owner must provide City with written notice of its intent to sell ("Intent to Sell Notice") and comply with Sections 6(B) and 6(C).

B. *City's Purchase Right.* If Owner delivers an Intent to Sell Notice to City, City has a Purchase Right to purchase the Affordable Unit in accordance with the terms herein. City has 45 days after receipt of Owner's Intent to Sell to exercise its Purchase Right by delivering to Owner its Notice of Exercise of Right ("City's Exercise Period"). If City fails to timely exercise the Purchase Right, then City's Purchase Right is waived. If City timely exercises the Purchase Right, then City is obligated to either (i) purchase the Affordable Unit, or (ii) assign the Purchase Right to an Eligible Buyer. Prior to the expiration of City's Exercise Period, City must either provide Owner a Notice of Exercise of Right or Notice of Waiver of Right. In the event that City provides a Notice of Waiver of Right, or fails to deliver either a Notice of Exercise of Right or Notice of Waiver of Right prior to the expiration of City's Exercise Period, Owner may proceed with sale of the Affordable Unit in the manner prescribed by Section 6C. In the event City provides a Notice of Exercise of Right, the sale of the Affordable Unit must close with either City, or an Eligible Buyer who is City's assignee as stated in the Notice of Exercise of Right, within 60 days of Owner's receipt of the Notice of Exercise of Right (the "City's Closing Period"). In the event that the sale does not close prior to the expiration of City's Closing Period, and such failure is not due to a default by Owner, Owner may terminate the contract with City, or its assignee, and sell the Affordable Unit in accordance with the provisions of Section 6(C). In such event, City shall provide Owner with such written confirmation or other documentation that may reasonably be necessary to satisfy a title insurer of compliance with this Section 6. The time permitted for the completion of the purchase may be extended by mutual agreement of City and Owner

C. Provided Owner: (i) has received a Notice of Waiver of Right from City or (ii) City has not exercised its Purchase Right prior to the expiration of City's Exercise Period or (iii) City, or its assignee, fails to timely close the purchase of the Affordable Unit prior to the expiration of City's Closing Period, Owner may market the Affordable Unit for sale in accordance with this Section 6(C). The purpose of this Section 6C is to assure that Owner engages in a good faith marketing effort such that members of the public have a fair chance to become informed of the availability of the Affordable Unit. Owner must market the Affordable Unit before any contract for sale may be executed by Owner. Upon the expiration of the mandatory Intent to Sell Notice and marketing period, Owner may enter into a contract for sale of the Affordable Unit with a ready, willing, and able buyer for a price no greater than the Affordable Resale Price. Unless waived by City in writing, Owner must sell the Affordable Unit to a buyer certified by City as an Eligible Buyer.

7. **Affordable Sales Price of Affordable Unit**

The Affordable Sales Price of the Affordable Unit to Owner is in the amount of $_____ ("Affordable Sales Price").

8. **Affordable Resale Price Limit**

A. For future transfers of the Affordable Unit, the Affordable Unit may not be transferred for more than an amount calculated in accordance with this Section 8. The "Affordable Resale Price" is equal to the Affordable Sales Price, plus the Affordable Sales Price multiplied by a Fixed Rate of Appreciation at 2% annual, simple interest multiplied by the number of Ownership Years the Affordable Unit is owned by Owner (the "**Fixed Rate of Appreciation**"), plus any approved Capital Improvement Credits calculated according to the City capital improvement policy. Ownership Years are calculated on an annual, pro-rated basis to credit Owner with that portion of the year that may not be a full calendar year. "**Ownership Years**" equals the total number of days of ownership divided by 365 days, so that the Ownership Year is prorated daily. The amount of appreciation due to Owner equals the Fixed Rate of Appreciation.

B. Nothing in this Covenant represents or guarantees that the Affordable Unit will be re-sold at an amount equal to Affordable Resale Price.

C. Adjustments to Affordable Resale Price. The Affordable Resale Price will increase or decrease, as applicable, by the following adjustment factors ("Adjustment").

(i) Capital Improvements. Provided that prior to Owner undertaking any Eligible Capital Improvement, Owner obtains City's written approval to proceed, and the Affordable Resale Price is calculated according to the City Capital Improvements Policy.

(ii) Damages. Owner is required to make necessary repairs when transferring the Affordable Unit as follows:

a. The Eligible Buyer shall, prior to purchasing the Affordable Unit, hire at their sole expense a building inspector with a current Home Inspector license from the Texas Real Estate Commission to assess the condition of the Affordable Unit and prepare a written report of the condition ("**Inspection Report**"). Owner shall cooperate fully with the inspection.

b. The Eligible Buyer shall provide a copy of the Inspection Report to Eligible Buyer's lender (if any), Owner, and City within 10 days after receiving the Inspection Report.

c. Owner shall repair specific reported defects or conditions prior to transferring the Affordable Unit.

d. Owner shall bear the full cost of the necessary repairs and replacements. However, upon Owner's written request, City may allow Owner to pay all or a portion of the repair costs after transfer from Owner's proceeds of sale, if Owner cannot afford to pay such costs prior

to the transfer. In such event, either (i) 150% of the unpaid estimated cost of repairs or (ii) 100% of the unpaid cost of completed repairs will be withheld from Owner's proceeds of sale in a City-approved escrow account.

e. Owner shall allow City, Eligible Buyer, and Eligible Buyer's building inspector and lender's representative to inspect the repairs prior to closing to determine that the repairs have been satisfactorily completed.

f. Upon sale or other transfer, Owner shall either (i) transfer the Affordable Unit with all originally purchased appliances or replacements in the Affordable Unit in good working order or (ii) reduce the Affordable Resale Price by the market value of any such appliances that are not left with the Affordable Unit in good working order.

(iii) Owner is responsible for paying any seller's or seller's agent fees not to exceed 3% of the Affordable Resale Price, including a City resale fee, related to the sale of the Affordable Unit.

9. **CITY's Right to Acquire Owner's Interest prior to foreclosure.**

A. Owner shall give to City written notice within 3 business days from the date any notice of foreclosure is provided to Owner when any foreclosure is commenced against the Affordable Unit under the First Deed of Trust or other instrument encumbering the Affordable Unit.

B. If an Institutional Lender forecloses under a First Deed of Trust and the proceeds from such foreclosure sale exceed the amount the Institutional Lender would be entitled under the loan documents executed by Owner in connection with a First Deed of Trust, then any such surplus must be divided between Owner and City as follows:

(i) Owner must receive such surplus proceeds in an amount that does not exceed the Affordable Resale Price, as calculated at the time of the foreclosure sale.

(ii) City must receive all surplus proceeds that exceed the Affordable Resale Price, as calculated at the time of the foreclosure sale.

Owner acknowledges that it would be contrary to the purposes of this Covenant if, in the event of a foreclosure, a sale generates proceeds in excess of the amount an Institutional Lender is legally entitled to and Owner receives more than the Affordable Resale Price. Therefore, Owner hereby covenants the following: (i) there is an irrevocable assignment of certain surplus proceeds to City, as prescribed in Section 9(B)(i) & (B)(ii), and that Owner, at the time of such foreclosure sale shall execute all documents reasonably necessary to effectuate the assignment and shall instruct Institutional Lender to distribute any such surplus in accordance with this Section; and, (ii) in the event that the amount of surplus proceeds for which City is entitled is inadvertently paid to Owner, Owner shall pay such amount to City promptly. It is not the intent of Owner for the covenants set out in this Section 9 to in any way impair Institutional Lender from its recovery of all outstanding principal and interest, penalties, attorney's fees, and other fees and penalties to which it may be

lawfully entitled in prosecuting such foreclosure, and the effect of this Covenant is limited in scope to only such proceeds generated in surplus of that which Institutional Lender is legally entitled to recover.

10. **First Deed of Trust**

The provisions of this Covenant are subordinate to the lien of a First Deed of Trust to secure a loan to purchase the Affordable Unit made by an Institutional Lender. This Covenant does not impair the rights of such Institutional Lender, or such lender's assignee or successor in interest, to exercise its remedies under the First Deed of Trust in the event of default by Owner; these remedies include the right to foreclose, exercise a power of sale, or to accept a deed in lieu of foreclosure.

11. **Re-Financing of the First Deed of Trust or Financing Eligible Capital Improvements.**

A. If, at any time subsequent to the purchase of the Affordable Unit, Owner seeks a loan that is to be secured by a mortgage on the Affordable Unit (e.g., to refinance an existing First Deed of Trust or to finance home repairs or for any other purpose), Owner must inform City, in writing, of the proposed terms and conditions of such mortgage loan at least 30 business days prior to the expected closing of the loan. The information to be provided to the City must include:

(i) the name of the proposed lender;
(ii) Owner's reason for requesting the loan;
(iii) the principal amount of the proposed loan and the total mortgage debt that will result from the combination of the loan and existing mortgage debt, if any;
(iv) expected closing costs;
(v) the rate of interest;
(vi) the repayment schedule;
(vii) a copy of the appraisal commissioned in connection with the loan request.

B. City reserves the right to require Owner to submit additional information. City will not permit such a mortgage loan if the loan increases Owner's total mortgage debt to an amount greater than 100% of the then current Affordable Resale Price or if the terms of the transaction otherwise threaten the interests of either Owner or City.

12. **Taxes, Assessments and Utilities**

A. *Taxes, Assessments and Utilities.* Owner shall pay, at Owner's expense, all taxes, governmental assessments, and charges of every kind against the Affordable Unit when due. Owner shall also pay, when due, all other service bills and utility charges that relate to the Affordable Unit, including all charges for water, sewer, heat, air conditioning, gas, light, garbage, electricity, telephone service, power, and all other public and private services and utilities

B. *Owner's Right to Contest.* Owner may, in good faith and with reasonable diligence, contest the amount or validity of any taxes relating to the Affordable Unit if, during any such contest, the enforcement of the lien of such taxes is stayed. City is not responsible for filing a protest on behalf of Owner.

C. *Liens Caused by Delinquency.* If Owner fails to pay the taxes or other amounts specified in this Section 12 when due, Owner will hold City harmless from and against any liens arising out of any failure to pay the taxes or other amounts specified in this Section 12.

D. *Proof of Compliance.* Owner shall provide evidence of payment of any taxes on the Affordable Unit to City, if requested. Within 10 business days after payment of any liens arising out of the non-payment of taxes or utilities, Owner shall provide evidence of such payment to City.

13. **Maintenance of the Affordable Unit**

Owner shall, at Owner's expense, maintain the Affordable Unit in good, safe, and habitable condition in all respects, except for normal wear and tear, and in full compliance with all applicable laws, ordinances, rules, and regulations of any governmental authority with jurisdiction over matters concerning the condition of the Affordable Unit. Owner is not required to obtain any permission from City for normal and customary repairs and maintenance of the Affordable Unit; provided, however, Owner is obligated to obtain any required building permits for Eligible Capital Improvements if such Eligible Capital Improvements are subject to the requirement to obtain building permits for same by any City building codes or ordinances.

14. **Construction**

Any construction in connection with the Affordable Unit is permitted only if the following requirements are met: (a) all costs are paid for by Owner; (b) all construction is performed in a professional manner and complies with all applicable laws and regulations; (c) all changes in the Affordable Unit are consistent with the permitted use; (d) the footprint, square-footage, or height of the Affordable Unit is not increased and new structures are not built or installed on the Affordable Unit without the prior written consent of City.

For any construction requiring City's prior written consent, Owner shall submit a written request to City. Such request must include:

a) a written statement of the reasons for undertaking the construction;
b) a set of drawings (floor plan and elevations) showing the dimensions of the proposed construction;
c) a list of the necessary materials, with quantities needed;
d) a statement of who will do the work;

If City finds it needs additional information, it must request such information from Owner within two weeks of receipt of Owner's request. City then, within two weeks of receiving all necessary information (including any additional information it may have requested) shall give Owner either its written consent or a written statement of its reasons for not consenting. Before

construction may begin, Owner must provide City with copies of all necessary building permits, if not previously provided.

15. **Prohibited Liens**

If any mechanic, laborer, materialman, or statutory lien is filed against the Affordable Unit, Owner shall cause the lien to be discharged of record within 60 calendar days thereafter by payment, deposit, bond, order of a court of competent jurisdiction or as otherwise permitted by law. If Owner fails to cause such lien to be discharged within the 60-day period, then, in addition to any other right or remedy, City is under no obligation to pay any sums secured by the lien. Owner agrees to indemnify, defend and hold City harmless from and against any liens arising out of any construction or other work on the Affordable Unit.

16. **Use of Affordable Unit as Owner's Primary Residence**

A. *Occupancy.* At or before the time when title is transferred to the Affordable Unit, each Owner shall certify to City in writing Owner's intent to occupy the Affordable Unit as Owner's primary residence; and Owner must declare the Affordable Unit as Owner's residential homestead, as provided in Chapter 11 of the Texas Tax Code, as may be amended. Except for leasing allowed by this Section 16, Owner shall reside at the Affordable Unit at least nine of the twelve calendar months each year of Owner's ownership of the Affordable Unit. Neither compliance with the occupancy requirement nor City's permission for an extended period of non-occupancy constitutes permission to lease the Affordable Unit.

B. *Leasing.* Owner may not lease, sell, or otherwise transfer any of Owner's rights under this Covenant, for any period of time, without the written permission of City. Owner agrees that City has the right to withhold such consent in order to further the purposes of this Covenant. If permission for leasing is granted, the lease is subject to the following conditions.

i. Any sublease is subject to all of the terms of this Covenant.
ii. The rental or occupancy fee for the Affordable Unit does not exceed Owner's total monthly cost of principal and interest on the loan secured by the First Deed of Trust to an Institutional Lender, property insurance, property taxes, and condominium owners association assessments assessed against the Affordable Unit.

17. **Liability, Insurance, Damage Eminent Domain**

A. *Owner's Liability.* Owner assumes sole responsibility and liability to all persons and authorities related to its possession, occupancy, ownership, and use of the Affordable Unit. City or its successors are not liable to Owner or any third party for any losses, costs, damages, harms, claims or lawsuits connected with the Affordable Unit.

B. *Indemnification of City.* **OWNER SHALL, AND DOES HEREBY AGREE TO, INDEMNIFY, PROTECT, DEFEND AND HOLD HARMLESS CITY AND CITY'S**

AGENTS, EMPLOYEES, OFFICERS, DIRECTORS, OFFICIALS, SUCCESSORS, DESIGNEES, AND ASSIGNS, FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LIABILITIES, OBLIGATIONS, LOSSES, CAUSES OF ACTION, PENALTIES, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND COURT COSTS) ARISING DIRECTLY OR INDIRECTLY FROM: (A) OWNER'S USE OF THE AFFORDABLE UNIT, OR ANY ACTIVITY, WORK OR OTHER THINGS DONE, PERMITTED OR SUFFERED BY OWNER IN, ON OR ABOUT THE AFFORDABLE UNIT; (B) OWNER'S BREACH OF THIS COVENANT OR VIOLATION OF ANY APPLICABLE LAWS; (C) ANY ACT OR OMISSION OF OWNER, OR ANY GUEST OR INVITEE OF OWNER, OR ANYONE CLAIMING BY, THROUGH OR UNDER OWNER; OR (D) ANY CAUSE IN, ON OR ABOUT THE AFFORDABLE UNIT. OWNER HEREBY ASSUMES ALL RISK OF DAMAGE TO PROPERTY OR INJURY TO PERSONS IN, ON OR ABOUT THE AFFORDABLE UNIT, FROM ANY CAUSE, AND OWNER HEREBY WAIVES ALL CLAIMS IN RESPECT THEREOF AGAINST CITY AND CITY'S RESPECTIVE AGENTS, EMPLOYEES, OFFICERS, SUCCESSORS, DESIGNEES AND ASSIGNS.

18. **Insurance.**

Owner shall, at Owner's expense, keep the interior of the Affordable Unit (e.g., interior walls, flooring, carpeting, appliances, built-in cabinets, shelves, and any other installations or additions which are Owner's insurance responsibility under the condominium documents) continuously insured against loss or damage by fire and the extended coverage hazards for its full replacement value. Owner shall keep the Affordable Unit continuously insured throughout the Covenant Term in such amounts and against such risks and liabilities as the Institutional Lender requires, or, if there is no Institutional Lender, in such amounts and against such risks and liabilities as City may reasonably require, provided that such insurance must specifically insure Owner against all liability assumed under this Covenant and imposed by law. All insurance policies must name City as an additional insured and must also contain endorsements providing that they may not be canceled, reduced in amount of coverage, or otherwise modified in any material respect, without prior written notice to City of at least 30 days. At City's request, Owner shall provide City copies of all policies and renewals of policies or other evidence of insurance. Owner shall pay the insurance premiums as they become due, and shall comply with all insurance requirements at any time in force; provided, however, Owner's compliance, in whole or in part, with this Section 18 does not limit, in any way or to any extent, the liabilities or obligations of Owner to City under the terms of this Covenant. Notwithstanding anything herein to the contrary, Owner is deemed to have satisfied its obligation to make the insurance payments required by this Section 18 and tax payments required by Section 12 so long as Owner is making such payments through an escrow established by the Institutional Lender for such purposes, in which case Owner shall provide City copies of any annual escrow accounting provided to Owner by the Institutional Lender promptly upon City's written request.

19. **Damage and Destruction.**

A. *Obligation to Restore.* Except as provided in Section 19(B), if the Affordable Unit is damaged by fire or any other cause, Owner shall immediately give written notice to City, and Owner shall promptly

repair or restore the Affordable Unit, as nearly as practicable, to its condition immediately prior to the damage, and this Covenant will remain in full force and effect. Owner shall also promptly and with due diligence take all steps necessary to ensure that the Affordable Unit does not constitute a danger to people or property.

B. *Termination of Restrictive Covenant and Distribution of Insurance Proceeds.* If repair or restoration is not economically feasible, or is otherwise prohibited under the Institutional Lender, or the Condominium Declaration, then Owner may terminate this Covenant by delivering written notice to City within 60 calendar days after the date of the damage. Subject to the terms of the Institutional Lender, any insurance proceeds must be applied in the order provided for in Section 9(B), with the Affordable Resale Price determined as of the date immediately before the damage in accordance with Section 8.

20. **Eminent Domain.**

A. *Obligation to Restore.* Except as provided in Section 20(B), in the event of any taking under the power of eminent domain, or conveyance in lieu of condemnation, Owner shall promptly apply the proceeds of any such taking to the repair or restoration of the Affordable Unit, as nearly as practicable, to its condition immediately prior to the taking and this Covenant will remain in full force and effect.

B. *Termination of Restrictive Covenant and Distribution of Condemnation Award.* In the event of a total taking (or partial taking, if repair or restoration is not economically feasible or is otherwise prohibited under the Institutional Lender or the Condominium Instruments), this Covenant terminates as of the date Owner is required to give up possession of the Affordable Unit. Subject to the terms of the Institutional Lender, any condemnation award must be applied in the order provided for in Section 9(B), with the Affordable Resale Price determined as of the date immediately before the taking in accordance with Section 8.

21. **Enforcement of this Covenant**

A. Grantor and each Owner hereby grant and assign City the right to enforce compliance with this Covenant.

B. Monitoring may be conducted by City, or their representative. Monitoring may take the form of a desk review, annual request for documentation, visual inspection, or technical assistance to help Owner understand how to minimize deficiencies. Reviews may consist of the following:

(i) Review City or County records to determine whether taxes have been paid, there has been a transfer of ownership, a death has been documented, or there are other name and/or address inconsistencies; and

(ii) Review City utility records to verify occupancy and name inconsistencies.

C. Items monitored may include occupancy, tax assessments, insurance, periodic inspections, loan repayment and payoff of mortgage loan.

D. Compliance may be enforced by City by any lawful means, including specific performance.

E. If City is required to pursue legal action to enforce this Covenant, then in such event, Owner acknowledges and agrees that City is entitled to an award of reasonable and necessary attorney's fees and other reasonable and necessary costs incurred in the enforcement of this Covenant.

F. Venue for a suit related to this Covenant must be in a state district court in Travis County, Texas.

22. *Transfer for value exceeding the Affordable Resale Price.* If ownership of the Affordable Unit is transferred for any reason for consideration exceeding the Affordable Resale Price, the appropriate appraisal authority may increase the taxable value of the Affordable Unit to the market rate, and the Affordable Unit may no longer receive property tax benefits.

23. **Miscellaneous**

A. This Covenant runs with the Affordable Unit. It is binding during its Term, and the benefit hereof inures during its Term to Owner, Owner's heirs, legal representatives, executors, successors in interest and assignees, and to City, its successors, designees, or assignees.

B. The Affordable Unit may not be used by any other development to satisfy the requirements of this Covenant or any other off-site affordable housing obligations.

C. The Affordable Unit is held and hereafter must be held, conveyed, encumbered, leased, rented, and occupied subject to this Covenant. All of the herein-stated covenants, conditions, restrictions and limitations are intended to constitute both equitable servitudes and covenants running with the land.

D. Each Subsequent Owner, buyer, or transferee of the Affordable Unit or of any portion of or interest in the Affordable Unit, by acceptance of a deed therefor, or by the signing of a contract or agreement to purchase the same, by acceptance of such deed or by the signing of such contract or agreement, is deemed to have consented to and accepted this Covenant and its covenants, conditions, restrictions and limitations set forth herein.

E. Notices to City must be given in writing and delivered in person or mailed, by certified or registered mail, return receipt requested, to the party at the address set forth below, or such other address designated by City by like notice:

City of Austin, Texas
Housing and Planning Department
Attn: Real Estate Manager
1000 East 11th Street, Ste. 200
Austin, Texas 78702

Notices to Owner may be given in like manner addressed to Owner of the Affordable Unit as shown on the City's tax rolls.

F. If any provision of this Covenant is held by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the remaining provisions survive and their validity, legality, or enforceability are not in any way affected or impaired thereby.

G. The captions of the Sections in this Covenant are for convenience only and may not be used to interpret the meaning of any provision hereof.

H. The conditions of this Covenant must be interpreted so as to avoid speculation on the Affordable Unit and to insure to the greatest extent possible that its purchase price and mortgage payments remain affordable during the Covenant Term to persons and families of low or moderate income.

I. This Covenant may not be revised, amended, repealed, or otherwise modified without the written approval of City and Owner; and any such modification must be recorded in the Official Records of Travis County before becoming effective.

J. This Covenant applies to the Affordable Unit in addition to the terms and conditions of the Condominium Declaration that is applicable to the Condominium Project in which the Affordable Unit is located. No provision of the Condominium Declaration may in any way be impaired by this Covenant. Any amendment to the Condominium Declaration that attempts to repeal, amend, or modify this Covenant is void and without effect.

K. Whenever reasonable interpretation of the context of this Covenant requires, the use of the singular of any word includes the plural and vice versa.

IN WITNESS WHEREOF, Grantor, First Owner, and City execute this Covenant, effective as of the date first stated above.

GRANTOR:

By: _____
Name: _____
Title: _____

Acknowledgment

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on _____, by _____.

_____
Notary Public, State of Texas

{Additional signature page follows}

FIRST OWNER:

By: _____

Acknowledgment

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on _____, by _____.

_____
Notary Public, State of Texas

CITY OF AUSTIN, TEXAS:

By: _____

_____
Assistant City Manager

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this the _____ day of _____ _____, by _____, Assistant City Manager, of **THE CITY OF AUSTIN, TEXAS**, a Texas municipal corporation, on behalf of said municipal corporation.

_____
Notary Public, State of Texas

APPROVED AS TO FORM:
BY CITY OF AUSTIN LAW DEPARTMENT

_____
_____
Assistant City Attorney

AFTER RECORDING RETURN TO:
City of Austin, Texas

EXHIBIT 1

HOMEOWNER'S ACKNOWLEDGMENT OF AFFORDABILITY RESTRICTIONS

TO: THE CITY OF AUSTIN, TEXAS ("CITY")

DATE: _____

I am giving this letter to City to be made an exhibit to the Affordable Housing Agreement and Covenant ("Restrictive Covenant") between City and me. I am buying the condominium unit located _____, Unit_____, Austin, Texas _____, which is subject to the Restrictive Covenant.

I understand how the terms and conditions of the Restrictive Covenant affect my rights as a homeowner, now and in the future. In particular, I understand and agree that:

- *Long-Term Affordability.* The purpose of the Restrictive Covenant is to keep housing affordable for future generations of low and moderate-income households. I support this goal.

- *Resale Restrictions.* The Restrictive Covenant controls the resale of my home. If I want to sell my home, I must sell it to another income-eligible buyer (or to City) for a restricted resale price determined in accordance with the resale formula in the Restrictive Covenant. If I violate the resale restrictions, the Restrictive Covenant gives City the right, among other remedies, to sue for damages or terminate the Restrictive Covenant and recover any sale proceeds. I realize this limits my ability to resell my home (a "restraint on alienation"), but I agree that this limitation is reasonable under the circumstances set forth in the Restrictive Covenant.

- *Refinancing Restrictions.* The Restrictive Covenant may keep me from obtaining a home equity loan, debt consolidation loan, car loan, or a similar loan that would use the home as collateral. I acknowledge that this constitutes a restraint on alienation, but likewise agree that it is a reasonable restraint under the circumstances of the Restrictive Covenant.

- *Principal Residence.* I must occupy and use my home as a principal residence. I may only lease it under the provisions under the Restrictive Covenant, and if I move out, I must sell it. I cannot continue to own the home as an absentee owner.

I will honor the terms of the Restrictive Covenant. I consider these terms fair to me and others.

By:_____
[FIRST OWNER]

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Rebecca Guerrero, County Clerk
Travis County, Texas
Nov 09, 2022 04:27 PM Fee: $42.00
2022178514
Electronically Recorded

This page is intentionally added for electronic file stamp.

03-1339492-NFSave
Stewart

AFTER RECORDING RETURN TO:
ROBERT D. BURTON, ESQ.
WINSTEAD PC
401 CONGRESS AVE., SUITE 2100
AUSTIN, TEXAS 78701

ASSIGNMENT OF PARKING
CASCADE CONDOMINIUMS

A Residential Condominium Located in Travis County, Texas

DECLARANT: 2501 N. LAMAR, LLC, a Texas limited liability company

Cross Reference to Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580, corrected in/under County Clerk's File No. 2022171164, Official Public Records of Travis County, Texas, as may be amended from time to time.

PARKING ASSIGNMENT
CASCADE CONDOMINIUMS

This Parking Assignment is made by **2501 N. LAMAR, LLC,** a Texas limited liability company ("**Declarant**"), and is as follows:

A. Declarant recorded that certain Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580, corrected in/under County Clerk's File No. 2022171164, Official Public Records of Travis County, Texas (the "**Declaration**").

B. In accordance with *Section 3.14* of the Declaration, Declarant reserved the right to designate and assign portions of the Common Elements as parking for the exclusive use of a Unit established by the Declaration.

C. Declarant hereby designates the parking space(s) identified as 99 on the Plat and Plans in the Declaration for the exclusive use of Unit 420 (the "**Unit**") within the Regime.

D. This assignment may not be terminated or modified without the consent of the Declarant (or a majority of the Board of the Association if the Development Period has expired or been terminated), and the owner of the Unit.

E. Unless otherwise set forth herein, terms used but not defined in this instrument shall have the meaning ascribed to such terms in the Declaration.

[SIGNATURE AND ACKNOWLEDGMENT PAGE FOLLOWS]

EXECUTED to be effective on the 5 day of November, 2022.

DECLARANT:

2501 N. LAMAR, LLC,
a Texas limited liability company

By: Pearlstone Management I, LLC,
a Texas limited liability company,
its Manager

By: _____
Printed Name: Emily Lee
Title: Manager

STATE OF TEXAS §
§
COUNTY OF Travis §

This instrument was acknowledged before me this 5 day of November, 2022 by EMILY LEE, Manager of Pearlstone Management I, LLC, a Texas limited liability company, Manager of 2501 N. LAMAR, LLC, a Texas limited liability company, on behalf of said limited liability company.

(SEAL)

SANDRA L. AXT-RICHTER
Notary Public, State of Texas
Notary ID# 12992515-2
My Commission Expires
AUGUST 19, 2026

_____
Notary Public Signature

ASSOCIATION:

CASCADE CONDOMINIUM COMMUNITY INC.,
a Texas non-profit corporation

By: _____
Printed Name: Emily Lee
Title: Authorized Signer

STATE OF TEXAS §
§
COUNTY OF Travis §

This instrument was acknowledged before me this 5 day of November, 2022, by Emily Lee, Authorized Signer of CASCADE CONDOMINIUM COMMUNITY INC., a Texas non-profit corporation, on behalf of said corporation.

(SEAL)

_____
Notary Public Signature

SANDRA L. AXT-RICHTER
Notary Public, State of Texas
Notary ID# 12992515-2
My Commission Expires
AUGUST 19, 2026

03-1891031-NFSOR

AFTER RECORDING RETURN TO:
ROBERT D. BURTON, ESQ.
WINSTEAD PC
401 CONGRESS AVE., SUITE 2100
AUSTIN, TEXAS 78701



FILED AND RECORDED
OFFICIAL PUBLIC RECORDS



Rebecca Guerrero, County Clerk
Travis County, Texas
Dec 16, 2022 12:33 PM Fee: $38.00
2022192801
Electronically Recorded

ASSIGNMENT OF PARKING
CASCADE CONDOMINIUMS

A Residential Condominium Located in Travis County, Texas

DECLARANT: **2501 N. LAMAR, LLC,** a Texas limited liability company

Cross Reference to Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580, corrected in/under County Clerk's File No. 2022171164, Official Public Records of Travis County, Texas, as may be amended from time to time.

PARKING ASSIGNMENT
CASCADE CONDOMINIUMS

This Parking Assignment is made by **2501 N. LAMAR, LLC**, a Texas limited liability company ("**Declarant**"), and is as follows:

A. Declarant recorded that certain Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580, corrected in/under County Clerk's File No. 2022171164, Official Public Records of Travis County, Texas, as may be amended from time to time (the "**Declaration**").

B. In accordance with *Section 3.14* of the Declaration, Declarant reserved the right to designate and assign portions of the Common Elements as parking for the exclusive use of a Unit established by the Declaration.

C. Declarant hereby designates the parking space(s) identified as 101 & 102 on the Plat and Plans in the Declaration for the exclusive use of Unit 216 (the "**Unit**") within the Regime.

D. This assignment may not be terminated or modified without the consent of the Declarant (or a majority of the Board of the Association if the Development Period has expired or been terminated), and the owner of the Unit.

E. Unless otherwise set forth herein, terms used but not defined in this instrument shall have the meaning ascribed to such terms in the Declaration.

[SIGNATURE AND ACKNOWLEDGMENT PAGE FOLLOWS]

EXECUTED to be effective on the 16 day of December, 2022.

DECLARANT:

2501 N. LAMAR, LLC,
a Texas limited liability company

By: Pearlstone Management I, LLC,
a Texas limited liability company,
its Manager

By: _____
Printed Name: Shirley Vega
Title: Authorized Signatory

STATE OF TEXAS §
§
COUNTY OF Travis §

This instrument was acknowledged before me this 16 day of December, 2022 by SHIRLEY VEGA, Authorized Signatory of Pearlstone Management I, LLC, a Texas limited liability company, Manager of 2501 N. LAMAR, LLC, a Texas limited liability company, on behalf of said limited liability company.

(SEAL)

_____
Notary Public Signature

NIKOLE FROST
Notary Public, State of Texas
Notary ID# 12904088-4
My Commission Expires
JUNE 28, 2024

ASSOCIATION:

CASCADE CONDOMINIUM COMMUNITY INC.,
a Texas non-profit corporation

By: _____
Printed Name: Shirley VEGA
Title: Authorized Signor

STATE OF TEXAS §
§
COUNTY OF Travis §

This instrument was acknowledged before me this 16 day of December, 2022 by Shirley VEGA, Authorized Signor of CASCADE CONDOMINIUM COMMUNITY INC., a Texas non-profit corporation, on behalf of said corporation.

(SEAL)

_____
Notary Public Signature

NIKOLE FROST
Notary Public, State of Texas
Notary ID# 12904088-4
My Commission Expires
JUNE 28, 2024

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Dyana Limon-Mercado, County Clerk
Travis County, Texas
Feb 24, 2023 07:59 AM Fee: $42.00
2023018588
Electronically Recorded

This page is intentionally added for electronic file stamp.

AFTER RECORDING RETURN TO:
ROBERT D. BURTON, ESQ.
WINSTEAD PC
401 CONGRESS AVE., SUITE 2100
AUSTIN, TEXAS 78701

ASSIGNMENT OF PARKING
CASCADE CONDOMINIUMS

A Residential Condominium Located in Travis County, Texas

DECLARANT: 2501 N. LAMAR, LLC, a Texas limited liability company

03-10046882-NFSAR
Cross Reference to Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580, corrected in/under County Clerk's File No. 2022171164, Official Public Records of Travis County, Texas, as may be amended from time to time.
Stewart

PARKING ASSIGNMENT
CASCADE CONDOMINIUMS

This Parking Assignment is made by **2501 N. LAMAR, LLC**, a Texas limited liability company ("**Declarant**"), and is as follows:

A. Declarant recorded that certain Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580, corrected in/under County Clerk's File No. 2022171164, Official Public Records of Travis County, Texas, as may be amended from time to time (the "**Declaration**").

B. In accordance with *Section 3.14* of the Declaration, Declarant reserved the right to designate and assign portions of the Common Elements as parking for the exclusive use of a Unit established by the Declaration.

C. Declarant hereby designates the parking space(s) identified as 23, 24, 25 and 33 on the Plat and Plans in the Declaration for the exclusive use of Unit 030 (the "**Unit**") within the Regime.

D. This assignment may not be terminated or modified without the consent of the Declarant (or a majority of the Board of the Association if the Development Period has expired or been terminated), and the owner of the Unit.

E. Unless otherwise set forth herein, terms used but not defined in this instrument shall have the meaning ascribed to such terms in the Declaration.

[SIGNATURE AND ACKNOWLEDGMENT PAGE FOLLOWS]

EXECUTED to be effective on the 23 day of Feb, 2023.

DECLARANT:

2501 N. LAMAR, LLC,
a Texas limited liability company

By: Pearlstone Management I, LLC,
a Texas limited liability company,
its Manager

By: _____
Printed Name: Emily Lee
Title: Authorized Signor

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 23 day of Feb, 2023 by EMILY LEE, Authorized Signor of Pearlstone Management I, LLC, a Texas limited liability company, Manager of 2501 N. LAMAR, LLC, a Texas limited liability company, on behalf of said limited liability company.

(SEAL)

SANDRA L. AXT-RICHTER
Notary Public, State of Texas
Notary ID# 12992515-2
My Commission Expires
AUGUST 19, 2026

_____
Notary Public Signature

ASSOCIATION:

CASCADE CONDOMINIUM COMMUNITY INC.,
a Texas non-profit corporation

By: _____
Printed Name: Emily Lee
Title: authorized signor

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 23 day of Feb, 2023, by Emily Lee, authorized signor of CASCADE CONDOMINIUM COMMUNITY INC., a Texas non-profit corporation, on behalf of said corporation.

(SEAL)

SANDRA L. AXT-RICHTER
Notary Public, State of Texas
Notary ID# 12992515-2
My Commission Expires
AUGUST 19, 2026

_____
Notary Public Signature

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Dyana Limon-Mercado
Dyana Limon-Mercado, County Clerk
Travis County, Texas
Jul 14, 2023 02:39 PM Fee: $42.00
2023078807
Electronically Recorded

AFTER RECORDING RETURN TO:
ROBERT D. BURTON, ESQ.
WINSTEAD PC
401 CONGRESS AVE., SUITE 2100
AUSTIN, TEXAS 78701
EMAIL: RBURTON@WINSTEAD.COM

CASCADE CONDOMINIUMS FIRST SUPPLEMENT TO COMMUNITY MANUAL

Cross-reference to: (i) that certain Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580 in the Official Public Records of Travis County, Texas; (ii) that certain Cascade Condominiums Community Manual, recorded as Document No. 2022146837 in the Official Public Records of Travis County, Texas.

FIRST SUPPLEMENT TO CASCADE CONDOMINIUMS COMMUNITY MANUAL

This First Supplement to the Community Manual (this "**Supplement**") is made by **CASCADE CONDOMINIUM COMMUNITY, INC.**, a Texas nonprofit corporation (the "**Association**"), and is as follows:

A. **2501 N. LAMAR, LLC**, a Texas limited liability company ("**Declarant**") caused to be Recorded that certain Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580 in the Official Public Records of Travis County, Texas (the "**Declaration**") and that certain Cascade Condominiums Community Manual, recorded as Document No. 2022146837 in the Official Public Records of Travis County, Texas (the "**Community Manual**") to establish certain rules and covenants for the Association. Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Declaration and the Community Manual.

B. Pursuant to *Article 1* of the Declaration, the Community Manual may be amended by a Majority of the Board; provided, however, that during the Development Period (as defined in the Declaration), any amendment to the Community Manual must be approved in advance and in writing by the Declarant.

C. Pursuant to *Section 11* of the Fine Policy, attached as *Attachment 5* to the Community Manual (the "**Fine Policy**"), the Fine Policy may be amended from time to time by the Board.

D. The Development Period has not expired, and the Board, with the written consent of Declarant, desires to supplement the Community Manual to amend the Fine Policy as evidenced below.

NOW, THEREFORE, the Community Manual is hereby supplemented and amended as follows:

1. **Schedule of Fines**. The Schedule of Fines attached hereto as Exhibit A is hereby added to the end of Attachment 5 to the Community Manual.

2. **Miscellaneous**. Any capitalized terms used and not otherwise defined in this instrument shall have the meanings set forth in the Declaration or Community Manual, as applicable. Unless expressly amended by this supplement, all other terms and provisions of the Community Manual remain in full force and effect as written, and are hereby ratified and confirmed.

EXECUTED on this 13 day of July, 2023.

ASSOCIATION:

CASCADE CONDOMINIUM COMMUNITY, INC.,
a Texas nonprofit corporation

By: Amber Reyes
Printed Name: Amber Reyes
Title: Director

STATE OF TEXAS §
§
COUNTY OF Travis §

This instrument was acknowledged before me on 13 day of July 2023, by Amber Reyes, as Secretary of the Board of Directors of Cascade Condominium Community, Inc., a Texas nonprofit corporation, on behalf of said corporation.

[SEAL]

Notary Public Signature

SUSAN D HILL
Notary Public, State of Texas
Comm. Expires 02-14-2026
Notary ID 24357-9

ACKNOWLEDGED AND AGREED BY DECLARANT:

2501 N. LAMAR, LLC,
a Texas limited liability company

By: Pearlstone Management I, LLC,
a Texas limited liability company
its Manager

By: _____
Name: Shirley Vega
Title: Agent

THE STATE OF TEXAS §

COUNTY OF Travis §

This instrument was acknowledged before me this 13 day of July, 2023, by Shirley Vega, Agent of Pearlstone Management I, LLC, a Texas limited liability company, Manager of 2501 N. Lamar, LLC, a Texas limited liability company, on behalf of said entities.

(SEAL)

SUSAN D HILL
Notary Public, State of Texas
Comm. Expires 02-14-2026
Notary ID 24357-9

_____
Notary Public Signature

EXHIBIT A

SCHEDULE OF FINES

Pursuant to *Section 7* of the Fine Policy, the Board has adopted the following general schedule of fines. The number of notices set forth below does not mean that the Board is required to provide each notice prior to exercising additional remedies as set forth in the Documents. The Board may elect to pursue such additional remedies at any time in accordance with applicable law. The Board also reserves the right to set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effect of the violation. All capitalized terms used herein but not defined shall have the meaning ascribed to such terms in the Declaration of Condominium Regime for Cascade Condominiums, recorded as Document No. 2021279580 in the Official Public Records of Travis County, Texas.

FINES*:

New Violation:	**Fine Amount:** **$50.00 (a violation fine may be avoided if Owner cures the violation by the time specified in the notice)**
Repeat Violation:	**Fine Amount:** **1st Notice $75.00** **2nd Notice $100.00** **3rd Notice $125.00** **4th Notice $150.00**
Continuous Violation	**As determined by the Board**

*The Board reserves the right to adjust these fine amounts based on the severity and/or frequency of the violation.

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Dyana Limon-Mercado, County Clerk
Travis County, Texas
Dec 02, 2024 09:25 AM Fee: $25.00
2024132216
Electronically Recorded

MANAGEMENT CERTIFICATE

In compliance with the provisions of Section 82.116 of the Texas Property Code, the undersigned entity gives notice that it is managing the herein described Association:

1. **Name of the Condominium/Subdivision**: Cascade Condominiums
2. **Name of the Association**: Cascade Condominium Community, Inc.
3. **Condominium Location**: 2500 Longview St, Austin, TX 78705
4. **Recording data for the Declaration**:

Documents recorded in Document no. 2021279580, Official Public Records of Travis County, Texas.

5. **Mailing Address of the Association:** Cascade Condominium Community, Inc., c/o Goodwin & Company, PO Box 203310, Austin, TX 78720-3310
6. **Designated Representative**: Goodwin & Company, PO Box 203310, Austin, TX 78720-3310

Website: https://acasc.sites.townsq.io/
Toll Free: (855)289-6007

This management certificate is filed of record in Travis County, Texas by the entity managing the Association. It shall be valid until a later Management Certificate is filed of record by the Association or a successor manager, or until a termination of this Management Certificate is filed of record, whichever is sooner.

By: Kaci Maglich, Managing Agent for Cascade Condominium Community, Inc., Duly, Authorized Agent
Signed: November 22, 2024

AFTER RECORDING RETURN TO:
Goodwin & Company
PO Box 203310
Austin, TX 78720-3310

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was signed before me on 11/22/24, and it was acknowledged that this instrument was signed by Kaci Maglich for the purposes and intent herein expressed.

By:
Notary Public, State of Texas

MELANIE BETH CLARK
Notary Public, State of Texas
Comm. Expires 01-20-2027
Notary ID 134155340

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Dyana Limon-Mercado
Dyana Limon-Mercado, County Clerk
Travis County, Texas
Feb 10, 2025 03:34 PM Fee: $29.00
2025014188
Electronically Recorded

RESOLUTION ADOPTING RULE
REQUIRING OWNERS TO PROVIDE INFORMATION REGARDING RENTALS
CASCADE CONDOMINIUM COMMUNITY, INC.
(the "Association")

The undersigned, Michael Dawson as the duly elected, qualified, and acting President of Cascade Condominiums Association, Inc., a Texas nonprofit corporation (the "***Association***"), hereby certifies on behalf of the Association that the following resolution was duly adopted by the Board of Directors of the Association (the "***Board***") at a meeting of the Board held on _____, and that such preamble and resolutions have not been amended or rescinded and are in full force and effect on the date hereof recorded.

WHEREAS, the Association has determined that in undertaking its obligations to the Subdivision and the community, that the Members of the Association all benefit from preservation of the value of the majority of Member's largest investment (their homestead), and their ability to freely market it;

WHEREAS, the Association has determined that it shall monitor the amount of rentals in the community in order to ensure that the threshold set by certain federal underwriters is not exceeded. If exceeded, the pool of potential purchasers will be reduced drastically, because most people will not be able to obtain a loan to purchase a home in the community. Until the threshold, as amended from time to time is reached, the Association shall monitor such activity to apprise the Members of any potential risk. The cost of such monitoring shall be borne by the Owners and Members benefiting from the activity causing the potential risk; and

WHEREAS, the Board, may make rules from time to time, and has determined to do so regarding the reporting of rental data;

NOW, THEREFORE, BE IT RESOLVED that the Association hereby adopts the following rule:

Owners desiring to rent their Units or Lots shall report the same to the Association using a form to be promulgated by the Association from time

to time. Any Owner renting their Unit or Lot shall pay an annual monitoring fee of $199.00 directly to the Association's managing agent to offset the cost of such monitoring. Such fee shall appear on the Owner's ledger and shall be collected by the Association like any other amount due and owing to the Association by the Owner.

BE IT RESOLVED, FURTHER, that, the President of the Association is hereby authorized and empowered, in the name and on behalf of the Association, from time to time, to do and perform such further acts and things and to execute and deliver all such further instruments as he or she may deem necessary or advisable to carry out and effectuate the intent and purposes of the foregoing resolutions and of the actions referred to herein.

CERTIFICATE OF ADOPTION

IN WITNESS WHEREOF, the undersigned has executed this Certificate as President on behalf of the Association to be effective upon the recording of this document in the Official Public Records of Travis County, Texas.

By: _____
Name: Michael Dawson
Title: President

STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me on January 31, 2025, by Michael Dawson President of Cascade Condominium Community, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

BRIDGET S. MARTIN
Notary Public, State of Texas
Comm. Expires 10-24-2028
Notary ID 125060841

Bridget Martin
Notary Public Signature

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Dyana Limon-Mercado, County Clerk
Travis County, Texas
Aug 22, 2025 04:52 PM Fee: $29.00
2025093659
Electronically Recorded

MANAGEMENT CERTIFICATE

In compliance with the provisions of Section 82.116 of the Texas Property Code, the undersigned entity gives notice that it is managing the herein described Association:

1. **Name of the Condominium/Subdivision:** Cascade Condominiums
2. **Name of the Association:** Cascade Condominium Community, Inc.
3. **Condominium Location:** 2500 Longview St., Austin, TX 78705
4. **Recording data for the Declaration:**

   Declaration of Condominium Regime for Cascade Condominiums recorded in Document no. 2021279580, Official Public Records of Travis County, Texas.

5. **Mailing Address of the Association:** Cascade Condominium Community, Inc., c/o Goodwin & Company, PO Box 203310, Austin, TX 78720-3310
6. **Name, mailing address, phone number & email for designated representative:**

   Goodwin & Company
   PO Box 203310, Austin, TX
   855.289.6007
   Info@goodwintx.com

7. **Website address where all dedicatory instruments can be found:**

   https://acasc.sites.townsq.io/ or www.goodwintx.com , use the "find my community" search bar to locate the community webpage

8. **Fees charged by Association related to a property transfer:**

   Working Capital: Equal to 2 Months Assessments
   Resale Certificate: $375
   Resale Certificate Update: $75
   Rush Fees to expedite Resale Certificate delivery in advance of 10 business day requirement:
   - 1 business day: $350 / 3 business days: $250 / 5 business days: $150 / 7 business days: $100

   Compliance Inspection Fee (optional): $150
   Refinance Fee: $120
   Statement of Account: $120
   Rush Covenant Compliance Inspection Fee: $300
   Transfer Fees: $340

This management certificate is filed of record in Travis County, Texas by the entity managing the Association. It shall be valid until a later Management Certificate is filed of record by the Association or a successor manager, or until a termination of this Management Certificate is filed of record, whichever is sooner.

Kaci Maglich

By: Kaci Maglich, Managing Agent for Cascade Condominium Community, Inc., Duly Authorized Agent
Signed: August 15, 2025

AFTER RECORDING RETURN TO:

Goodwin & Company
PO Box 203310
Austin, TX 78720-3310

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was signed before me on August 15, 2025, and it was acknowledged that this Instrument was signed by Kaci Maglich for the purposes and intent herein expressed.

Notary Public in and for the State of Texas

Notary Printed Name: Bridget Martin

My Commission Expires: 10/24/2028

BRIDGET S. MARTIN
Notary Public, State of Texas
Comm. Expires 10-24-2028
Notary ID 125060841

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Dyana Limon-Mercado, County Clerk
Travis County, Texas
Sep 25, 2025 10:54 AM Fee: $45.00
2025106834
Electronically Recorded

AFTER RECORDING, PLEASE RETURN TO:
Adam Pugh
CAGLE PUGH, LTD. LLP
4301 Westbank Dr., Bldg. A., Ste. 150
Austin, Texas 78746

FIRST AMENDMENT TO FINE POLICY
for
CASCADE CONDOMINIUM COMMUNITY, INC.

Cross Reference to that certain Declaration of Condominium Regime for Cascade Condominiums recorded at Document No. 2021279580 in the Official Public Records of Travis County, Texas, together with all supplements, amendments and annexations thereto; and that certain Fine Policy, attached as Attachment 5 to that certain Cascade Condominiums Community Manual recorded at Document No. 2022146837 in the Official Public Records of Travis County, Texas.

FIRST AMENDMENT TO FINE POLICY
for
CASCADE CONDOMINIUM COMMUNITY INC.

This, the First Amendment to Fine Policy for Cascade Condominium Community, Inc. (the "***Amendment***") is made by the Board of Directors of Cascade Condominium Community, Inc. (the "***Board***") and is as follows:

RECITALS:

A. WHEREAS, Cascade Condominium Community, Inc. (hereinafter the "***Association***") is a property owners association established and governed by that certain Declaration of Condominium Regime for Cascade Condominiums recorded at Document No. 2021279580 in the Official Public Records of Travis County, Texas, together with all supplements, amendments and annexations thereto (collectively the "***Declaration***"); and

B. WHEREAS, Article 13, Section 13.2.2 of the Declaration authorizes the Board of Directors (the "***Board***") of the Association to assess fines against Owners for violations of the governing documents of the Association; and

C. WHEREAS, the Association is further subject to that certain, Fine Policy, attached as Attachment 5 to that certain Cascade Condominiums Community Manual recorded at Document No. 2022146837 in the Official Public Records of Travis County, Texas (the "***Fine Policy***"); and

D. WHEREAS, Section 11 of the Fine Policy authorizes the Board to amend from time to time the Fine Policy; and

E. WHEREAS, the Board desires to amend the Fine Policy as set forth herein below.

NOW THEREFORE BE IT RESOLVED, the Fine and Enforcement Policy is hereby amended as follows:

1. Section 7 of the Fine Policy is hereby amended to include the following Schedule of Fines:

7.a **Curable Violation Fine Schedule** - The first noncompliance violation will not incur a fine if cured before the deadline provided in the Notice. Fines will continue to be assessed every 14-days until cured.

Curable Fine Schedule*	
1st Violation (if a curable violation, fine may be avoided if Owner cures the violation by the time specified in the notice of fine)	$75.00
2nd Violation	$150.00
3rd Violation	$225.00
4th Violation	$300.00
5th Violation	$375.00
6th Violation	$450.00

Curable Violation Examples: Maintenance Violations, Noise Violations that are ongoing (barking dog), incomplete lease file. Additionally, after notice is provided to a Unit Owner, if a Unit Owner's backyard is not accessible for maintenance services, the applicable Unit Owner may be charged a trip charge (as outlined by the service provider) for each time that access is not provided.

*Each day a violation continues after written notice may be considered a separate violation and subject to additional fines.

7.b **Uncurable Violation Fine Schedule** - The first uncurable violation will incur a fine. Fines will continue to be assessed every 14 days until cured.

Uncurable Fine Schedule	
1st Violation	$75.00
2nd Violation	$150.00
3rd Violation	$225.00
4th Violation	$300.00

Uncurable Violation Examples: Shooting fireworks, any act constituting a threat to public health or safety, Property Damage, including removal or alteration of landscaping, holding a garage sale or other event prohibited by a governing documents, noise violations that are not ongoing, elevator Reservation Policy violation and failure to pick up pet waste.

7.c Specific Violation Fine Schedule – The fines for Specific violations are:

Specific Fine Schedule	
Parking Violation: Utilizing visitor parking as an owner, guest, or tenant on a permanent basis.	$500.00 per month
Parking Violation: Unauthorized parking by Owner, guest, or tenant in reserved parking spot.	$50.00 per occurrence
Short Term Rental: Listing Unit as STR without authorization on any website	$300.00 per day until cured
Short Term Rental: Renting Unit as STR without authorization	$1000.00 per day until cured
Leasing: No leasing permit	$50.00 per day until cured
Leasing: Violation of tenant qualifications	$250.00 per month
Leasing: Maximum Occupancy Violation	$250.00 per month
Leasing: Less than the required term (6 months)	$50.00 per day until cured
Leasing: Conducting prohibited business use from rental Unit	$500.00 per month
Leasing: Failure of tenant to comply with Rules and Regulations of Association	$25 for first occurrence, $100 per occurrence thereafter

2. Miscellaneous. Any capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Declaration. Unless expressly amended by this instrument, all other terms and provisions of the Fine and Enforcement Policy shall remain in full force and effect as written and are hereby ratified and confirmed. In the event of any inconsistency, the terms and provisions of this Amendment shall control over and modify the terms and provisions of the Fine and Enforcement Policy. Except as specifically amended by the provisions hereof, the terms and provisions stated in the Fince and Enforcement Policy shall continue to govern the rights and obligations of the parties thereunder, and all provisions and covenants in the Fine and Enforcement Policy,

as amended hereby, shall remain in full force and effect and are hereby ratified and confirmed, and shall be construed along with this Amendment as one instrument.

3. Severability. If any provision of this resolution is determined to be invalid, the remaining provisions shall remain in full force and effect.

4. Effective Date. This First Amendment to Fine Policy for Cascade Condominium Community, Inc. shall be effective upon its recording in the Official Public Records of Travis County, Texas.

[Remainder of Page Left Blank Intentionally]

CERTIFICATE OF ADOPTION

The undersigned Secretary of Cascade Condominium Community, Inc. (the "*Association*") hereby certifies that this First Amendment to Fine Policy for Cascade Condominium Community, Inc. was approved by a majority vote of the Association's Board of Directors at a duly called and noticed meeting conducted on the 9 day of October, 2025.

CASCADE CONDOMINIUM COMMUNITY, INC.

Signature: _____

By: Herbert Blanco

Title: Secretary

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

Before me, the undersigned notary public, on this day personally appeared Herbert Blanco, Secretary of Cascade Condominium Community, Inc. known to me or proved to me by presentation to me of a governmentally-issued identification card to be who one of the persons whose name is subscribed to the foregoing instruments, and acknowledged to me that he/she executed it for the purpose and consideration expressed in it.

Given under my hand and seal of office the 22 day of ~~October~~ September, 2025.

[Notary Stamp]

Nicole Austin
My Commission Expires
5/27/2029
Notary ID 135516375

_____
Notary Public, State of Texas

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Dyana Limon-Mercado, County Clerk
Travis County, Texas
Oct 02, 2025 05:01 PM Fee: $45.00
2025110250
Electronically Recorded

AFTER RECORDING, PLEASE RETURN TO:
Adam Pugh
CAGLE PUGH, LTD. LLP
4301 Westbank Dr., Bldg. A., Ste. 150
Austin, Texas 78746

FIRST AMENDMENT TO FINE POLICY
for
CASCADE CONDOMINIUM COMMUNITY, INC.

Cross Reference to that certain Declaration of Condominium Regime for Cascade Condominiums recorded at Document No. 2021279580 in the Official Public Records of Travis County, Texas, together with all supplements, amendments and annexations thereto; and that certain Fine Policy, attached as Attachment 5 to that certain Cascade Condominiums Community Manual recorded at Document No. 2022146837 in the Official Public Records of Travis County, Texas.

FIRST AMENDMENT TO FINE POLICY
for
CASCADE CONDOMINIUM COMMUNITY INC.

This, the First Amendment to Fine Policy for Cascade Condominium Community, Inc. (the "***Amendment***") is made by the Board of Directors of Cascade Condominium Community, Inc. (the "***Board***") and is as follows:

RECITALS:

A. WHEREAS, Cascade Condominium Community, Inc. (hereinafter the "***Association***") is a property owners association established and governed by that certain Declaration of Condominium Regime for Cascade Condominiums recorded at Document No. 2021279580 in the Official Public Records of Travis County, Texas, together with all supplements, amendments and annexations thereto (collectively the "***Declaration***"); and

B. WHEREAS, Article 13, Section 13.2.2 of the Declaration authorizes the Board of Directors (the "***Board***") of the Association to assess fines against Owners for violations of the governing documents of the Association; and

C. WHEREAS, the Association is further subject to that certain, Fine Policy, attached as Attachment 5 to that certain Cascade Condominiums Community Manual recorded at Document No. 2022146837 in the Official Public Records of Travis County, Texas (the "***Fine Policy***"); and

D. WHEREAS, Section 11 of the Fine Policy authorizes the Board to amend from time to time the Fine Policy; and

E. WHEREAS, the Board desires to amend the Fine Policy as set forth herein below.

NOW THEREFORE BE IT RESOLVED, the Fine and Enforcement Policy is hereby amended as follows:

1. Section 7 of the Fine Policy is hereby amended to include the following Schedule of Fines:

7.a **Curable Violation Fine Schedule** - The first noncompliance violation will not incur a fine if cured before the deadline provided in the Notice. Fines will continue to be assessed every 14-days until cured.

Curable Fine Schedule*	
1st Violation (if a curable violation, fine may be avoided if Owner cures the violation by the time specified in the notice of fine)	$75.00
2nd Violation	$150.00
3rd Violation	$225.00
4th Violation	$300.00
5th Violation	$375.00
6th Violation	$450.00

Curable Violation Examples: Maintenance Violations, Noise Violations that are ongoing (barking dog), incomplete lease file. Additionally, after notice is provided to a Unit Owner, if a Unit Owner's backyard is not accessible for maintenance services, the applicable Unit Owner may be charged a trip charge (as outlined by the service provider) for each time that access is not provided.

*Each day a violation continues after written notice may be considered a separate violation and subject to additional fines.

7.b **Uncurable Violation Fine Schedule** - The first uncurable violation will incur a fine. Fines will continue to be assessed every 14 days until cured.

Uncurable Fine Schedule	
1st Violation	$75.00
2nd Violation	$150.00
3rd Violation	$225.00
4th Violation	$300.00

Uncurable Violation Examples: Shooting fireworks, any act constituting a threat to public health or safety, Property Damage, including removal or alteration of landscaping, holding a garage sale or other event prohibited by a governing documents, noise violations that are not ongoing, elevator Reservation Policy violation and failure to pick up pet waste.

7.c Specific Violation Fine Schedule – The fines for Specific violations are:

Specific Fine Schedule	
Parking Violation: Utilizing visitor parking as an owner, guest, or tenant on a permanent basis.	$500.00 per month
Parking Violation: Unauthorized parking by Owner, guest, or tenant in reserved parking spot.	$50.00 per occurrence
Short Term Rental: Listing Unit as STR without authorization on any website	$300.00 per day until cured
Short Term Rental: Renting Unit as STR without authorization	$1000.00 per day until cured
Leasing: No leasing permit	$50.00 per day until cured
Leasing: Violation of tenant qualifications	$250.00 per month
Leasing: Maximum Occupancy Violation	$250.00 per month
Leasing: Less than the required term (6 months)	$50.00 per day until cured
Leasing: Conducting prohibited business use from rental Unit	$500.00 per month
Leasing: Failure of tenant to comply with Rules and Regulations of Association	$25 for first occurrence, $100 per occurrence thereafter

2. Miscellaneous. Any capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Declaration. Unless expressly amended by this instrument, all other terms and provisions of the Fine and Enforcement Policy shall remain in full force and effect as written and are hereby ratified and confirmed. In the event of any inconsistency, the terms and provisions of this Amendment shall control over and modify the terms and provisions of the Fine and Enforcement Policy. Except as specifically amended by the provisions hereof, the terms and provisions stated in the Fince and Enforcement Policy shall continue to govern the rights and obligations of the parties thereunder, and all provisions and covenants in the Fine and Enforcement Policy,

as amended hereby, shall remain in full force and effect and are hereby ratified and confirmed, and shall be construed along with this Amendment as one instrument.

3. Severability. If any provision of this resolution is determined to be invalid, the remaining provisions shall remain in full force and effect.

4. Effective Date. This First Amendment to Fine Policy for Cascade Condominium Community, Inc. shall be effective upon its recording in the Official Public Records of Travis County, Texas.

[Remainder of Page Left Blank Intentionally]

CERTIFICATE OF ADOPTION

The undersigned Secretary of Cascade Condominium Community, Inc. (the "*Association*") hereby certifies that this First Amendment to Fine Policy for Cascade Condominium Community, Inc. was approved by a majority vote of the Association's Board of Directors at a duly called and noticed meeting conducted on the 9 day of October, 2025.

CASCADE CONDOMINIUM COMMUNITY, INC.

Signature: _____

By: Herbert Blanco

Title: Secretary

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

Before me, the undersigned notary public, on this day personally appeared Herbert Blanco, Secretary of Cascade Condominium Community, Inc. known to me or proved to me by presentation to me of a governmentally-issued identification card to be who one of the persons whose name is subscribed to the foregoing instruments, and acknowledged to me that he/she executed it for the purpose and consideration expressed in it.

Given under my hand and seal of office the 22 day of ~~October~~ September, 2025.

[Notary Stamp]

Nicole Austin
My Commission Expires
5/27/2029
Notary ID135516375

_____
Notary Public, State of Texas

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Dyana Limon-Mercado
Dyana Limon-Mercado, County Clerk
Travis County, Texas
Oct 29, 2025 11:00 AM Fee: $37.00
2025120304
Electronically Recorded

CERTIFIED RESOLUTION OF THE BOARD OF DIRECTORS

OF CASCADE CONDOMINIUM COMMUNITY, INC.

ADOPTING COMMON ELEMENTS POLICY FOR LOCK BOXES

The undersigned, Michael Dawson, as the duly elected, qualified and acting President of Cascade Condominium Community, Inc., a Texas nonprofit corporation (the "Association"), hereby certifies on behalf of the Association that the following resolution was duly adopted by the Board of Directors of the Association (the "Board") by unanimous written consent, and that such preamble and resolutions have not been amended or rescinded and are in full force and effect on the date hereof.

WHEREAS, Cascade Condominium Community, Inc. was established and is governed by that certain Declaration of Condominium Regime for Cascade Condominiums, recorded at Document No. 2021279580 of the Official Public Records of Travis County, Texas as may be amended from time to time;

WHEREAS, pursuant to Article 10, Section 10.2 of the Declaration, the Association, acting through the Board, is granted the right to adopt and enforce reasonable Rules and penalties for infractions thereof, regarding the use, appearance and enjoyment of the Property;

WHEREAS, the Board desires to adopt a Common Elements Policy to address the use and keeping of lock boxes by Members of the Association on Common Elements;

WHEREAS, any capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Declaration;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby adopts the Common Elements Policy for Lock Boxes set forth on Exhibit "A", attached hereto and incorporated herein by reference.

BE IT RESOLVED, FURTHER, that any actions taken by the officers or directors of the Association prior to the date of this action or hereafter that are within the authority conferred hereby are hereby ratified, confirmed and approved as the act and deed of the Association.

[SIGNATURE PAGE FOLLOWS]

CERTIFICATE OF ADOPTION

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Adoption on behalf of the Association to be effective upon the recording of this document in the Official Public Records of Travis County, Texas.

By: Michael Duncan
Title: President

STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me on October 24, 2025, by Michael Dawson, President of the Cascade Condominim Community, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

Bridget Martin
Notary Public Signature

BRIDGET S. MARTIN
Notary Public, State of Texas
Comm. Expires 10-24-2028
Notary ID 125060841

AFTER RECORDING PLEASE RETURN TO:

Adam Pugh
CAGLE PUGH, LTD. LLP
4301 Westbank Drive, Ste. A-150
Austin, Texas 78746

EXHIBIT "A"

CASCADE CONDOMINIUM COMMUNITY, INC.
COMMON ELEMENTS POLICY FOR LOCK BOXES

I. *COMMON ELEMENTS – GENERALLY.*

a. Common Elements means all portions of the Property, SAVE AND EXCEPT, the Units.

b. General Common Elements mean Common Elements, which are not Limited Common Elements. General Common Elements are designated as "General Common Element" of "GCE" on the Plat and Plans attached to the Declaration and as further provided in Section 4.2 of the Declaration.

c. The Association, acting through the Board, maintains all Common Elements.

II. USE OF COMMON ELEMENTS

a. 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 the Board.

III. LOCK BOXES

a. The Association understands that Unit Owners utilize real estate agents and other services that require the use of lock boxes in conjunction with the prospective sale of their Unit. However, the proliferation of lock boxes being kept on Common Elements; including but not limited to exterior fences, gates, railings, and garage entrances, throughout the Property have caused the need for a policy to be adopted to address such issues.

b. At the time of recordation of this Policy, lock boxes shall be prohibited from all Common Elements of the Association, except for the sole approved location for the placement of real estate lock boxes which shall be the designated fence section on the exterior of the courtyard, adjacent to the main entry gate. Lock boxes are strictly prohibited in any other location on the Property.

c. Lock boxes are only permitted for Units that are actively listed for sale or rent. All lock boxes must be kept in a well-maintained, clean, and functional condition at all times; such determination shall be made by the Board in its sole and absolute discretion.

IV. REMEDIES FOR VIOLATION OF POLICY

a. The Association may suspend the right of Owners and Occupants to use Common Elements 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.

b. The Association may levy a fine for violation of this Policy in compliance with the Documents of the Association.

c. The Association has the right to utilize self-help to enter a Common Area to abate or remove, using force as may be reasonably necessary, any erection, thing, or condition that violates this Policy or the Documents of the Association. Such self-help shall include but is not limited to cutting the violating lock box from the Common Element. 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. The existence of a lock box upon a Common Element, that is not authorized by the Board, shall be determined in the good faith opinion of the Board as an emergency situation and shall not require the violating Owner any prior notice of intent to exercise self-help.

[Remainder of page left blank intentionally]