

TRV 2001096410
68 pgs

2001 REVISED DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
STILLHOUSE CANYON CONDOMINIUMS
AUSTIN, TEXAS

98

June 13, 2001

TABLE OF CONTENTS

2001 REVISED DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
STILLHOUSE CANYON CONDOMINIUMS

Article I Definitions and Terms

	Page
Section 1 1 Definitions and terms	5
(a) "Association"	5
(b) "Board" or "Board of Directors"	5
(c) "Building"	5
(d) "Common Assessment"	5
(e) "Common Elements" or "Common Area"	5
(f) "Common Expenses"	5
(g) "Completed Unit"	6
(h) "Condominium Unit"	6
(i) "Construction and/or Sell-Out Period"	6
(j) "Declarant"	6
(k) "Declaration"	6
(l) "First Mortgagee"	6
(m) "General Common Elements"	6
(n) "Limited Common Elements"	6
(o) "Majority of Unit Owners"	7
(p) "Map" or "Plan"	7
(q) "Occupant"	7
(r) "Owner"	7
(s) "Property," "Project," or "Premises"	7
(t) "Unit"	7

Article II Condominium Unit Designations and Descriptions

Section 2 1 Recordation of map	8
Section 2 2 Designation of units	8
Section 2 3 Limited common elements	8
Section 2 4 Regulation of common areas	8
Section 2 5 Inseparable units	8
Section 2 6 Legal Description of Units	8
Section 2 7 Encroachments	9
Section 2 8 Taxes	9
Section 2 9 Use and occupancy restrictions	9
(a) Residential purposes	9
(b) Common elements	9
(c) Use restrictions	9
(1) Nuisances and safety	9
(2) Barbecue grills	9
(3) Noise	9
(4) Pets	10
(5) Liability for pets	10
(6) Signs	10
(7) Window coverings	10
(8) Storage	10
(9) Carports	10
(10) Vehicle repair	10
(11) Parking	10
(12) Anti-theft alarms	11
(13) Towing illegally parked vehicles	11
(14) Trash	11
(15) Pest control	11
(16) Lighting	11
(17) Antennas	11
(18) No alterations	12

(19) No drilling	12
(20) Care during construction	12
(21) No temporary structures	12
(22) Criminal activity	12
(23) Persons who may use common areas	12
(24) Leasing	12
(25) Declarant rights	12
(26) Community policies	12
(27) Prior restrictive covenant	13
Section 2 10 Restrictive covenant existing prior to development	13
Section 2 11 Reservation of special Declarant rights	13

Article III Rights and Obligations of Ownership

Section 3 1 Ownership	13
Section 3 2 No partition	14
Section 3 3 Rights of Unit ownership, and parking assignments	14
Section 3 4 Residential dwelling	14
Section 3 5 Mechanic's and materialman's liens	14
Section 3 6 Right of entry	15
Section 3 7 Owner maintenance	15
Section 3 8 Board approval for construction, alteration, or modification	15
Section 3 9 Restriction of ownership	15
Section 3 10 Liability for negligent acts	15
Section 3 11 Subject to declaration and bylaws	16
Section 3 12 Non-Disturbance of Canyon Areas	16

Article IV Management and Administration

Section 4 1 Authority to manage, association duty to maintain	16
Section 4 2 Board of directors	16
(a) Composition of board	16
(b) Voting by board members	16
(c) Length of term	17
Section 4 3 Articles of incorporation and bylaws	17
Section 4 4 Administration and enforcement of declaration, bylaws, and rules	17
(a) Rule and regulation authority	17
(b) Late charges	17
(c) Returned check charges	17
(d) Nonassessment items first	17
(e) Suspension of voting rights and use rights	17
(f) Fines	17
(g) Remedies against tenants	18
(h) Tenants may pay	18
(i) Leasing	18
(j) Interest	18
(k) Fees for special services	18
(l) Parking limitations	18
(m) Pets	18
(n) Publication of delinquencies	18
(o) Name and address of new owners	18
(p) Change of address	18
(q) Names and addresses of tenants	19
(r) Lien of the association	19
(s) Security devices on unit doors and windows	19
(t) Venue and lawsuit authority	19
(u) Attorney's fees	19
(v) Association entry	19
(w) Abandoned unit	19
(x) Notices to multiple owners, tenants, and mortgagees	19
(y) Assignment of revenues	19
(z) Other powers	20
Section 4 5 Membership and voting	20
(a) Membership	20

	(b) Voting	20
	(c) Completed and uncompleted units	20
Section 4 6	Insurance	21
	(a) Fire and extended coverage	21
	(b) Liability insurance	21
	(c) Fidelity bond	22
	(d) Condominium unit owners insurance	22
Section 4 7	Accounting, audit, inspection of records	22
Section 4 8	Architectural control committee	22
Section 4 9	Security policies	22
Section 4 10	Natural landscaping to remain intact	23

Article V Maintenance Assessments

Section 5 1	Assessments for common expenses, initial assessments upon purchase	23
Section 5 2	Purpose of assessments	24
Section 5 3	Determination of assessments	24
Section 5 4	Utilities	24
Section 5 5	Owner obligations for assessments and mid-year alterations of assessments	25
Section 5 6	Special assessments for improvements	25
Section 5 7	Commencement of assessments	25
Section 5 8	No exemption	25
Section 5 9	Lien for assessments	25
Section 5 10	Subordination of the lien to mortgages	26
Section 5 11	Statement of assessments	26
Section 5 12	Payment of assessments by Declarant	26
Section 5 13	Personal liability for assessments	26

Article VI Destruction or obsolescence of improvements

Section 6 1	Destruction or obsolescence	27
Section 6 2	Judicial partition	28
Section 6 3	Condemnation	28

Article VII Protection of Mortgagees

Section 7 1	Mortgage priorities	28
Section 7 2	Notice to association	28
Section 7 3	Notice of default, lapse in insurance	28
Section 7 4	Examination of books	29
Section 7 5	Reserve fund	29
Section 7 6	Annual audits	29
Section 7 7	Notice of meetings	29
Section 7 8	Notice of damages, destruction, or condemnation	29
Section 7 9	Management agreements	29
Section 7 10	Alteration and destruction of units	29
Section 7 11	Mortgages not affected by violation	29

Article VIII Miscellaneous Provisions

Section 8 1	Amendments to declaration, approval of owners and mortgagees	30
Section 8 2	Dimensions	30
Section 8 3	Ownership of common personal property	30
Section 8 4	Change in documents	30
Section 8 5	Nonliability and release of the association, officers, and directors	31
	(a) Nonliability and release	31
	(b) Indemnity	31
	(c) Directors and officers liability insurance	31
Section 8 6	Notices	31
Section 8 7	Conflict between declaration and bylaws	31
Section 8 8	Invalidation of parts	31
Section 8 9	Omissions	31
Section 8 10	Consent of mortgagee	31

Exhibits		
A --	Legal Description of the Property	34
B --	Map of the Property	35
C --	Percentage of Ownership of Common Elements	36
D --	Title at the Time of Revised Declaration	39
E --	Articles of Incorporation of the Association	40
F --	Bylaws of the Association	42
G --	Management Certificate	47
H --	Consent of Declarant's Mortgagee	49
I --	Community Policies (at time of declaration adoption)	51
J --	Parking Space Assignments	60

2001 REVISED DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
STILLHOUSE CANYON CONDOMINIUMS

Recitals

This 2001 Revised Declaration of Covenants, Conditions, and Restrictions for the Stillhouse Canyon Condominiums is an amendment and total revision of the Declaration of Condominium Regime of Stillhouse Canyon Condominiums previously recorded in Volume 11600, Page 0412, Real Property Records of Travis County, Texas. The Map entitled "As-Built Survey on Stillhouse Canyon Condominiums", is a map of the project and recorded as Document No 2001096409 Condominium Plat Records of Travis County, Texas.

The property subject to this Declaration is described in Exhibit A. The property consists of 180 residential condominium units, and no more, and various common area improvements, all which are already built. The undersigned Declarant is the assignee of all declarant rights of the declarant identified in the original declaration recorded in Volume 11600, Page 0412, Real Property Records of Travis County, Texas. The property is locally known as the "Stillhouse Canyon Condominiums".

The Declaration is a plan for individual ownership in fee simple of each condominium unit and an undivided interest in the common area and common facilities. Each owner of a Unit shall have exclusive ownership of, possessory interest in, and responsibility for the area or space contained within such owner's condominium Unit, subject to the covenants, conditions, and restrictions contained in the Declaration.

The Declaration and the property subject to it shall be governed by the Texas Uniform Condominium Act (TUCA), Chapter 82, Texas Property Code, except for TUCA provisions relating to the Map (Plat or Plan). The terms, covenants, conditions, easements, restrictions, uses, limitations, and obligations in this Declaration shall be deemed to run with the land and shall be binding upon any person acquiring or owning an interest in the real property and improvements, their grantees, successors, heirs, executors, administrators, devisees, and assigns.

This 2001 Revised Declaration of Covenants, Conditions, and Restrictions for Stillhouse Canyon Condominiums was adopted in accordance with the amendment procedures contained in the original declaration recorded in Volume 11600, Page 412 Real Property Records of Travis County, Texas, as amended in Volume 11605, Page 1826, Real Property Records of Travis County, Texas.

ARTICLE I DEFINITIONS AND TERMS

1.1 DEFINITIONS AND TERMS. As used in this agreement, the following terms shall have the respective meanings set forth after them unless the context shall expressly provide otherwise:

- (a) "Association" shall refer to the "Stillhouse Canyon Condominium Homeowners Association, Inc."
- (b) "Board" or "Board of Directors" shall refer to the Board of Directors of the Association.
- (c) "Building" shall refer to any one of the numbered buildings identified on the Map of the Project recorded as Document No 2001096409, Condominium Plat Records of Travis County, Texas, a reduced copy of which is attached hereto as Exhibit B.
- (d) "Common Assessment" means the charge against each Owner of a Unit and his Unit, for his allocable portion of the Common Expenses.
- (e) "Common Elements" or "Common Area" means and includes all of the land described in Exhibit A, and all of the improvements and appurtenances thereto, except for the Units. Common Elements shall consist of the General Common Elements and the Limited Common Elements.
- (f) "Common Expenses" means and includes:
 - (1) all expenses incurred by the Association for promoting the health, safety, welfare and recreation of the Owners of the Condominium Units and in particular for the administration and management, ownership, maintenance, operation, repair, replacement, or improvement of and addition to the Common Elements (including unpaid special assessments and amounts assessed to maintain a reserve for replacement fund and to cover costs incurred by the Association to participate in any condemnation suit, as provided in Section 6.3),
 - (2) expenses declared to be Common Expenses by provisions of this Declaration or by the Bylaws of the Association.

(g) "Completed Unit" means a completely finished Unit, including, but not limited to, the installation of all appliances and utilities, rendering it ready for occupancy by an Owner other than the Declarant

(h) "Condominium Unit" shall mean an individual Unit, as defined in Subsection "(u)" in this section, together with the undivided interests in the Common Elements (General or Limited or both) appurtenant to such Unit as specified in Exhibit C

(i) "Construction and/or Sell-Out Period" means that period during which Declarant is selling the Condominium Units, which period shall extend until four months after the time that the Declarant transfers title to 75% of the Condominium Units or a period of five years from the date of acquisition of title to the Property by Declaration in the year 2001, is recorded in the Real Property Records of Travis County, Texas, whichever is sooner

(j) "Declarant" shall mean PAW IV Development, LLC, a Colorado limited liability company, or its successors or assigns, as the developer of the Project as a condominium under the Act

(k) "Declaration" shall mean this condominium declaration instrument

(l) "First Mortgagee" shall mean the holder of a purchase-money mortgagee or deed of trust lien voluntarily granted on any Unit in the Project, which has a first priority over all other voluntary liens encumbering such Unit

(m) "General Common Elements" means that part of the Common Elements described as follows

(1) the land on which all buildings and other improvements are constructed and which is described in Exhibit A,

(2) the foundations, columns, girders, beams, supports, main walls, roofs, attic spaces, dividing walls between two or more Units or between Units and other exterior improvements,

(3) the yards, gardens, fences, gates, streets, driveways, service drives, service easements, and mechanical rooms, if any other than those which are specifically designated as a Limited Common Element,

(4) the compartments or installations, if any, consisting of the equipment and materials making up any central services (such as electricity, water, and the like) which are constructed to serve more than one Unit, pumps, motors, fans, compressors, ducts, and in general all apparatus and installations existing for the common use and enjoyment of the Project and necessary for the common use and maintenance of the Project as a condominium, but specifically not including the air conditioning compressors, or the pads or slabs thereunder, appurtenant to and part of each of the several Units,

(5) the swimming pool as shown on the Map, and

(6) all other elements rationally of Common use or necessary to the existence, maintenance and safety of the Condominium Regime established by this Declaration, and which are not specifically designated as a Limited Common Element or as appurtenant to as constituting a part of a particular Unit

(n) "Limited Common Elements" mean and include those Common Elements which are reserved for the exclusive use of either an individual Owner of a Unit or a certain number (but less than all) of individual Owners of Units, which consist of the following

(1) pipes, ducts, electrical, telephonic and electronic wiring and conduits located either (i) entirely within a Unit or adjoining Units and serving more than the one Unit in which located, or (ii) outside of a Unit but which serve one or more, but less than all the Units,

(2) balconies, patio structures, enclosed courtyards, and sidewalks, driveways, and carports, adjoining or serving exclusively a single Unit or one or more but less than all adjoining Units,

(3) areas or parcels of land designated on the attached exhibits as a Limited Common Element with respect to a Unit, on which area or parcel will be installed or constructed the pads or slabs for the support of the air conditioning compressors appurtenant to and forming a part of such Unit, and

(4) a Unit's assigned exclusive parking space(s) according to the Map

(o) "Majority of Unit Owners" means those Owners which at the relevant time own 51% of the votes entitled to be cast by all Owners (including Declarant)

(p) "Map" (or "Plan") means the survey of the land, locating thereon all of the improvements, the floor and elevation plans and any other drawing or diagrammatic plan depicting part of, or all of, the improvements. The Map consists of (1) a 24" x 36" sheet containing an as-built survey of the project and showing buildings, units, parking spaces, and amenities, (2) a 24" x 36" sheet showing a survey of two easements, and (3) 12 additional 24" x 36" sheets showing elevations (vertical profiles and dimensions) from the original construction drawings for the project. The Map is recorded as Document No. 2001096409, Condominium Plat Records of Travis County, Texas. Part of the Map is in Exhibit B.

(q) "Occupant" means a person or collectively the persons in possession of a Unit at the relevant time, regardless of whether said person is a Unit Owner, lessee, guest or otherwise.

(r) "Owner" means a person, firm, corporation, partnership, association, trust, or other legal entity or any combination thereof, including, without limitation, the Declarant, who owns, of record, fee simple title to one or more Units in the Project.

(s) "Property," "Project," or "Premises" means and includes in the aggregate the land, the Buildings, and all improvements and structures thereof and thereto, including, without limitation, the Common Elements and all rights, easements, and appurtenances belonging thereto.

(t) "Unit" shall mean one of the enclosed spaces that consists of one or more rooms that has a direct exit to a Common Element that leads to a thoroughfare as shown on the Map. The boundaries of each Unit shall be and are the interior surfaces of the perimeter walls, floors, ceilings, window frames, doors, and door frames and trim, and the portions of the Building on the boundaries of such enclosed space and the airspace within those boundaries are part of such Unit, except for the Common Elements. The actual physical boundaries of said Unit shall be conclusively presumed to be its proper boundaries, regardless of settling, rising or lateral movement of the Building in which such Unit is located and regardless of variances between boundaries shown on the Map and the actual boundaries of such Building.

The individual ownership of each Unit shall further include the interior construction, partitions, appliances, fixtures, and improvements that are intended to serve exclusively such Unit space, such as interior room walls, floor coverings or finish, closets, cabinets, shelving, individual bathroom and kitchen fixtures, plumbing and appliances, individual lighting and electrical fixtures, and other separate items of personal property exclusively serving such Unit, any of which may be removed, replaced, disposed of, or otherwise treated without affecting any other Unit or the ownership, use or enjoyment thereof. The individual ownership of each Unit shall further include the air conditioning compressor, together with all pipes, ducts, electrical wiring, conduits, and any other equipment connected thereto constructed on a pad or slab installed or constructed on Project and designated on the Map in Exhibit B as a Limited Common Element with respect to such Unit for the purpose of supporting such air conditioning compressor, together with such pad or slab. None of the land in the Project shall be separately owned, as all land in the Project shall constitute part of the "Common Elements" of the Project and shall be owned in common by the Owners of the Units in this Project.

ARTICLE II CONDOMINIUM UNIT DESIGNATIONS AND DESCRIPTIONS

2.1 RECORDATION OF MAP. A reduced copy of the Map is in Exhibit B. The large original Map is contained in the Association's records and is recorded in the Condominium Plat Records of Travis County, Texas. The Map contains:

- (a) the legal description of the surface of the land described in Exhibit A,
- (b) the linear measurements and location, with reference to the exterior boundaries of said land, of the Buildings and all other improvements constructed, or to be constructed, on said land by Declarant,
- (c) the footprint of the Units and Buildings constructed, or to be constructed by the Declarant, showing the exterior boundaries and number of the Units, and any other data necessary for the identification of them, which

information is depicted on the Map showing the respective numbers of the Buildings and the numbers on the Units therein, and

(d) the location of assigned parking spaces which are Limited Common Elements. The Units to which the assigned parking spaces are appurtenant are shown in Exhibit J. The owners of the Units listed in Exhibit J shall have exclusive use of the parking space(s) assigned to the respective Units. Declarant may amend the Map, from time to time, to ensure that the same conform with the actual location of any of the improvements and to establish, vacate, and relocate easements, access road easements, and on-site parking areas.

2.2 DESIGNATION OF UNITS. The Project consists of 180 separately designated Units already built. Each Unit is identified by a number on the Map. The remaining portion of the Project, referred to as the Common Elements, shall be owned in common by the Owners. The Owners of each Unit shall own an undivided interest in said Common Elements, the percentage or fraction thereof attributable to each Unit being as shown on Exhibit C.

2.3 LIMITED COMMON ELEMENTS. Portions of the Common Elements are set aside and reserved for the exclusive use of the individual Owners, such areas being Limited Common Elements, and include the areas described in Section 1.1. Limited Common Elements are allocated and assigned by the Declarant to the respective Units, as indicated on the Map. Limited Common Elements for a unit are (1) the balconies, patios, enclosed courtyards, assigned parking spaces, carports, sidewalks, and driveways adjoining or exclusively serving the unit, and (2) the air conditioning pad(s) exclusively serving the unit. Such Limited Common Elements shall be used in connection with the particular Unit, to the exclusion of the use thereof by the other Owners, except by invitation.

2.4 REGULATION OF COMMON AREAS. Portions of the Common Areas are intended as landscaped areas and may be altered only as authorized by vote of 67% of the Association members. Rules governing the use of such areas by Owners and by their guests and invitees shall be promulgated by the Declarant or by the Board of Directors of the Association after the same has been elected. All Owners shall be furnished with a copy thereof at the direction of the Board. Each Owner shall be required to comply strictly with said rules and regulations and shall be responsible to the Association for compliance therewith by the members of their respective families, relatives, guests, invitees, tenants, and contractors, both minor and adult.

2.5 INSEPARABLE UNITS. Each Unit and its corresponding pro-rata interest in and to the Common Elements appurtenant thereto shall be inseparable and may not be conveyed, leased, or encumbered separately, and shall at all times remain indivisible. Except for easements to utility companies, any attempted conveyance of an interest in the Common Area or Common Elements shall be void unless it also conveys the Unit to which that interest attached.

2.6 LEGAL DESCRIPTION OF UNITS. Every deed, lease, mortgage, trust deed, or other instrument may legally describe a Unit by its identifying Unit number and Building number, as shown on the Map, followed by the words "Stillhouse Canyon Condominiums" and a reference to this recorded Declaration.

Every such description shall be deemed good and sufficient for all purposes to convey, transfer, encumber, or otherwise affect the undivided interest in the Common Elements appurtenant to such Unit, and all exclusive parking rights referred to in Section 3.3.

2.7 ENCROACHMENTS. If any portion of the Common Elements encroaches upon a Unit or Units, a valid permanent easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. If any portion or portions of a Unit or Units encroach upon the Common Elements, a valid permanent easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist.

2.8 TAXES. The Association shall give written notice to the Travis County Appraisal District of the establishment of the Condominium Regime with respect to the Project, as is provided by law, so that each Unit and its percentage or fraction of undivided interest in the Common Elements shall be deemed a separate parcel and subject to separate assessment and taxation.

2.9 USE AND OCCUPANCY RESTRICTIONS

(a) *Residential purposes.* Subject to the other provisions of this Declaration, no part of the Project may be used for purposes other than housing and the related common purposes for which the Project was designed. Each Unit or any two or more adjoining Units used together shall be used for residential purposes or such other uses permitted by this Declaration, and for no other purposes. The foregoing restrictions as to use for residential purposes shall not, however, be construed in such manner as to prohibit a Unit Owner from

- (1) maintaining his personal, professional library,

- (2) keeping his personal business or professional records or accounts,
- (3) handling his personal business or professional telephone calls or correspondence, which uses are expressly declared customarily incidental to the principal residential use and not in violation of said restrictions, or
- (4) renting or leasing his Unit in strict compliance with the Declaration, Bylaws, and Rules (Community Policies)

(b) *Common elements* The Common Elements are intended for use for the purposes of affording vehicular and pedestrian movement within the Project, and of providing access to the Units, providing recreational use by the Owners and occupants of Units, and providing for the beautification of the Project and for providing privacy for the residents thereof through landscaping and such other means as shall be deemed appropriate. No part of the Common Elements shall be obstructed or damaged so as to interfere with its intended use or for its maintenance and operations, no part of the Common Elements shall be used for general storage purposes, nor shall anything be done on the Common Elements in any manner which shall increase the rate for hazard and liability insurance covering said area and improvements situated thereon. The vegetation in the Canyon Areas may not be altered, damaged, or removed except as provided in Section 3.13. Otherwise, no part of the Common Elements may be altered, damaged, or removed without Board approval.

(c) *Use Restrictions* Without limiting the generality of the foregoing provisions of this section 2.9, use of the Project by the Unit Owners shall be subject to the following restrictions:

(1) *Nuisances and safety* No unsafe, noxious, offensive, or illegal activity, or odor is permitted on the Project. No activity shall be conducted on the property which in the judgment of the Board of Directors might reasonably be considered as annoying to neighbors of ordinary sensibilities, or might be reasonably calculated to reduce the desirability of the property for quality of living. No exterior loudspeakers or flashing lights shall be allowed. No person may do anything that will increase insurance rates for the Project without the prior written consent of the Board or which may cause such improvements to be uninsurable or which may cause any policy to be canceled, or suspended or materially modified by the issuing company.

(2) *Barbecue grills* Except for barbecue grills, no exterior fires are permitted. Barbecue grills may not be operated within 10 feet of any building.

(3) *Noise* Condominium unit owners and occupants shall refrain from playing radios, televisions, stereos, and other electrical or mechanical devices so loud that they may be heard outside their condominium unit. Doors and windows must be shut when playing televisions, stereos and similar sound equipment at sound levels objected to by any unit owner, tenant, or management representative. Yelling or loud talking outside is prohibited.

(4) *Pets* Dogs, cats, fish, birds and other animals may be kept in Units only in compliance with Association rules. Owners must register their pets with the Association management. Except for birds and fish, no more than two animals may be kept in a Unit. Animals are not allowed in or near the pool area and may not exceed 40 pounds in weight, except for guide animals for disabled persons. Animals may not make excessive noise (in the sole judgment of the Board). Animals may not be bred for commercial purposes. Animals except cats must be kept on a leash when outside a unit. Leashes may not be tied to objects and must be held by a person who can control the animal at all times. Animals may not be left alone outside a Unit. Owners of a Unit where an animal is housed has the responsibility to immediately clean up after such animals have defecated in Common Areas or in outside balconies, patios, or enclosed courtyards. If an animal or Unit Owner is in violation of these restrictions, the Declarant or Board may remove the animal from the Project and place the animal with the local humane society.

(5) *Liability for pets* The Unit Owner and the pet owner are both jointly liable to all other Unit Owners and their respective families, guests, tenants and invitees for injury and all damage caused by any animals brought or kept on the Project by a Unit Owner or members of his family, his tenants or his guests -- with or without permission of the Board. Unit Owners agree, for themselves, and their respective families, guests, tenants and invitees, that neither the Board members nor the Association shall have any liability for any injury or damage caused by any animal brought or kept upon the Project, with or without the permission of the Board, by a Unit Owner or members of his family, his tenants or his guests.

(6) *Signs* "For sale" or "for rent" signs and all other signs are absolutely prohibited and may not be exhibited anywhere in the project, including from the interiors of the units. Board members and management company representatives may enter, without prior notice, and remove and throw away such signs. The foregoing shall be subject to Declarant's rights reserved under this Declaration, particularly in Section 2.11.

(7) *Window coverings* All exterior windows shall be covered by white, ivory or tan blinds or drapes. No foil or other material objectionable in the reasonable judgment of the Board of Directors shall be placed in or next to any window or sliding glass door. Burglar bars that may be seen from the outside are prohibited.

(8) *Storage* No property may be stored temporarily or permanently on sidewalks, balcony walkways, stair landings, parking lots, carports or other common areas. Nothing may be stored in Common Areas except in buildings or screened areas approved by the Board.

(9) *Garage sales* Garage sales and estate sales are not allowed.

(10) *Vehicle repair* Except in an emergency when a vehicle is inoperable, no vehicle may be worked on anywhere on the Property. Otherwise, vehicles must be serviced or repaired off the property. Vehicles which have expired license plates, expired inspection stickers, flat tires or which are obviously inoperable due to missing parts are prohibited and be removed from the property at the owner's expense.

(11) *Parking* Each Owner and the Owner's family, tenants, and guests may only park in the parking spaces assigned to the Owner's Unit on the Map. Such persons may park in any guest parking space in accordance with Association rules and in accordance with the following:

(a) Parking of vehicles, motorcycles and bicycles in grass areas, dirt areas, flower beds or sidewalks is prohibited. Owners and occupants shall park vehicles in their respective assigned parking space(s) whenever possible. No Unit Owner or occupant shall park, store, operate or keep within or adjoining the Project any vehicle, motorcycle, motorbike, motorscooter, or other similar vehicle unless same is kept solely within the assigned parking space(s) of such Owner's Unit and such vehicle physically will be fully contained within the dimensions of the parking space. Commercial-type vehicles, trucks (except pickup trucks), camper units, motor homes, trailers, boats, mobile home, and golf carts may not be parked on the Property. No Unit Owner or occupant shall park, store, operate or keep within or adjoining the Project any vehicle over 18 feet long. Bicycles and similar items may not be parked or stored outside a unit except that they may be stored on the back balcony or back patio of a unit, subject to reasonable storage rules adopted by the Board. Washing of vehicles is not allowed anywhere on the Project.

(b) No vehicles may be parked or unattended in such a manner as to block the passage of other vehicles on the streets or in driveways to units. No vehicle may be left parked and unattended, in a street, along the curb, or in driveway areas in such a manner as to prevent the ingress and/or egress of emergency vehicles (i.e., fire, EMS) or service vehicles (i.e., refuse trucks). No inoperable vehicle may be stored on the Property.

(c) Each Unit has its own assigned parking space(s). Owners and occupants may not park elsewhere in the Project. Unassigned parking spaces are for guests only.

(d) Motorcycles and similar motorized vehicles must be parked in the unit's parking space. Bicycles must be parked or stored inside a unit or on a back balcony or back patio. Non-assigned parking spaces may be assigned by the Board to accommodate disabled persons.

(e) If someone is physically disabled, the Board will accommodate special requests for handicap parking if possible. Handicap parking signs must be honored.

(f) The Board may adopt parking regulations and restrictions to resolve unanticipated parking problems, provided they are not in conflict with the Declaration.

(12) *Anti-theft alarms* Owners and occupant who have vehicles with anti-theft systems shall not allow the alarms or horns to go off and disturb other persons in the Project for more than three minutes, and any vehicle violating the three-minute rule shall be deemed to be illegally parked and subject to immediate towing, without prior notice to the vehicle owner or operator, by the Association under the Texas towing statutes. The Association may, without liability to the owner or operator of the vehicle, cut or disconnect any power source to such alarm or horn to avoid having to tow the vehicle.

(13) *Towing illegally parked vehicles* Vehicles parked in violation of Association rules may be removed and stored without permission of the vehicle's owner or operator. Notice and removal shall be in accordance with statutory requirements. A unit owner is liable for all costs of towing illegally parked vehicles of the unit owner, his family, guests or tenants.

(14) *Trash* Garbage or trash may not be stored or thrown outside the disposal areas provided for such purposes. Dumpsters provided by the Association must be used for disposal of garbage and trash.

(15) *Pest control* The Association does not have responsibilities for pest control inside units. However, the Association shall have the right to enter and exterminate an owner's unit, at the owner's expense, if the owner's failure to control pests inside his unit is adversely affecting other units.

(16) *Lighting* All lighting on the Project will be shielded and oriented downward so that the cone of light falls on the Project, or a shielded or frosted glass lighting type. No additional lighting may be installed without approval of 67% of the Association membership.

- (17) *Antennas and satellite dishes* The following antennas and satellite dishes are not permitted:
- (a) antennas or dishes that only transmit signals,
 - (b) antennas or dishes that interfere with reception of video signals by other units,
 - (c) antennas or dishes located in common areas, common elements or unit entry areas, and
 - (d) dishes greater than one meter in diameter.

Unless prohibited above, an antenna or satellite dish may be installed only (1) inside a living area of a unit, or (2) outside on a patio, balcony or a yard area within the exclusive use or control of the owner. Such installation is allowed only if the plans and specifications for location, color, attachment, safety and screening are approved in writing by the Architectural Control Committee for compliance with the following standards:

The antenna or satellite dish must:

- (a) be properly bolted and secured to the concrete or wood deck, patio or balcony which is either part of the unit or a limited common element to which the unit owner has exclusive use,
- (b) be screened by a fence, wall, landscaping or potted plants to the greatest extent reasonably possible, in order to prevent the antenna or dish from being seen from any street, common area or other unit, and
- (c) be located, within reason, in the least visible place on the least visible balcony, deck or patio of the unit.

The Association is not responsible for the maintenance or repair of any satellite dish or antenna—even if it is attached to a limited common element. The unit owner is liable for all damages to Association property, personal property, animals and persons caused by the owner's installation of an antenna or dish. The unit owner is responsible for restoring any limited common element to its pre-antenna/dish installation status upon removal of the antenna or dish.

These location, installation and screening requirements are based on aesthetics, non-interference with reception by neighbors, preservation of property values and safety, including avoidance of injury or property damage from improperly installed or otherwise dangerous antennas or dishes.

(18) *No alterations* Except with the written consent of Declarant or 67% of the Association members, no Owner or other person shall make any alteration, modification, or improvement to the Common Elements, including trimming of trees or other vegetation, no additional lighting, awnings, patio covers, or other devices may be added to the Common Elements, and no structure, equipment, or object may be added or removed to the Common Elements by any Owner or other person.

(19) *No drilling* No drilling, digging, quarrying, or mining operation of any sort shall be permitted on the Project.

(20) *Care during construction* An Owner who is having a Unit or other structure worked on, repaired, or remodeled shall take reasonable and necessary precautions to prevent damage to the Common Area (including any streets) caused by construction companies, workmen, suppliers, or service companies working on or delivering materials to or removing materials from the work site on the Owner's Unit. Such Owner shall be liable to the Association for any damages to the Common Area and for costs of cleaning up or replacing property in the Common Area destroyed or damaged by such construction companies, workmen, suppliers, or service companies. Such Owner shall be liable to the respective Unit Owners for any damage to another Owner's Unit and for any costs of cleaning up or replacing property which may be destroyed or damaged by such construction companies, workmen, suppliers, or service companies and the Association shall have the right to repair such damage at the Association's expense, in which event the cost of repair shall be owed to the Association by the Unit Owner who caused the damage or whose construction company, workmen, suppliers, or service company caused the damage.

(21) *No temporary structures* No structure of a temporary character, trailer, tent, shack, barn or other outbuildings is permitted on the Project, temporarily or permanently, except with the prior written consent of the Board. However, temporary structures may be used in connection with the construction, repair or rebuilding of any Building or other Common Elements.

(22) *Criminal activity* While on the condominium project, no person may violate any criminal laws, health codes or other applicable laws. No tampering with water, lighting, sprinklers, pool equipment or other common elements equipment is allowed.

(23) *Persons who may use common areas* Common areas may only be used by Declarant (during construction of Units), Unit Owners, and their tenants, family, and guests.

(24) *Leasing* Leasing of units is allowed only if (i) all leases are in writing and are subject to the provisions of the Declaration and community policies, (ii) a copy of the then-current community policies are provided by the Owner to the Owner's tenant at the beginning of the lease term, (iii) the Unit is not leased for hotel or transient purposes or for less than 30 days, and (iv) the Owner and Tenant comply with all applicable community policies. See Section 4.4(i) and Exhibit I. The Board of Directors of the Association may adopt more restrictive rules regarding leasing.

(25) *Declarant rights* In order that Declarant may develop and sell the Project, no Unit Owner nor the Association shall do anything to interfere with special Declarant rights contained in Section 2.11.

(26) *Community policies or rules* All persons shall comply with the Association's community policies or rules as provided in Section 4.4 and in Exhibit I, as amended from time to time.

(27) *Prior Restrictive Covenants, Easements, and Encumbrances* The use restrictions and requirements contained in the restrictive covenants, utility easements, etc. contained in Exhibit D shall be considered part of the Declaration.

2.10 **TITLE AT TIME OF REVISED DECLARATION** The Property is subject to certain land use and development restrictions, easements, and encumbrances, which are listed in Exhibit D and which will continue to affect the title of each Unit after sale of the Unit to an individual purchaser.

2.11 **RESERVATION OF SPECIAL DECLARANT RIGHTS**

(a) During the Construction and/or Sell-Out Period and not afterward, the Declarant reserves the following rights, subject to the restrictions in Section 3.12 regarding "Non-Disturbance of Canyon Areas":

(1) the exclusive right but not the duty to amend the Map and to correct the size, shape, physical lay-out, or location of Units,

(2) the right to do what is reasonably necessary or advisable in connection with the completion of any work in the Project,

(3) the right to construct and maintain the Common Elements and Units owned or controlled by Declarant, its successors or assigns, or its or their contractors or subcontractors, as may be reasonably necessary for the conduct of its or their business of completing any work and developing, selling, leasing, or managing of the Units in the Project,

(4) the right to construct and maintain, for the above purposes, one or more onsite model units and offices, the size, number, location, and relocation of which shall be determined solely by Declarant,

(5) the right to maintain a sign or signs for the purpose of marketing the Units in the Project,

(6) the sole right to approve or reject any plans and specifications submitted by a Unit Owner for approval as provided in Section 3.8,

(7) the special voting rights contained in Section 4.5,

(8) the assessment payments rights and duties as set forth in Section 5.12, as permitted to the Texas Uniform Condominium Act,

(9) the right of exclusive use of any sales office(s) and storeroom(s) located in Common Areas,

(10) the right to modify the landscaping as provided in Section 4.9, and

(11) the right to add to and improve general and limited common elements, including but not limited to additional amenities and carports, in Declarant's discretion.

(b) Any mortgage of the Declarant's interest in the Project shall be deemed to include Declarant's special rights in this Declaration, and any foreclosure sale pursuant to such mortgage shall automatically convey such Declarant rights

(c) A conveyance by the Declarant shall not convey any Declarant special rights unless expressly so provided and unless the transferee also executes the conveyance instrument, as required by the Texas Uniform Condominium Act

ARTICLE III RIGHTS AND OBLIGATIONS OF OWNERSHIP

3.1 OWNERSHIP A Unit will be a fee simple estate and may be held and owned by any person, firm, corporation, or other entity singularly, as joint tenants, as tenants in common, or in any real property tenancy relationship recognized under the laws of the State of Texas. Each Unit Owner shall have an undivided interest in the Common Elements in accordance with Exhibit C and shall have a right to use easements and any Limited Common Elements in accordance with the declaration. Each Owner shall have an unrestricted right of ingress and egress to the Owner's Unit, subject to reasonable routes of such vehicular and pedestrian access.

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

3.3 RIGHTS OF UNIT OWNERSHIP AND PARKING ASSIGNMENTS

(a) Parking spaces are numbered on the Map. A parking space number on the Map identifies the parking space and not the Unit to which the space is assigned. For security purposes, the Association shall cause different numbers to be used on the ground to identify the spaces. A Unit's exclusive parking rights in Exhibit J shall be an appurtenance that cannot be separated from ownership of the Unit to which they are attached, and such parking rights shall automatically transfer with ownership of the Unit, without necessity of specific reference to parking assignments in the transfer or conveyance document.

(b) Each of the respective Units shall have exclusive rights to use the parking space(s) assigned to the Unit in Exhibit J, as a limited common element for the Unit. All parking shall be subject to parking regulations in this Declaration and in Association rules. Spaces that are not assigned to a Unit in Exhibit J shall be either (a) common area parking spaces for Unit owners and guests or (b) parking spaces to be assigned by Declarant to a Unit as a limited common element for the respective Unit. A space that has been assigned to a Unit in Exhibit J is only for the use by the Unit owner.

(c) Each Unit shall have at least one assigned parking space. One additional parking space (that has not been assigned to a Unit in Exhibit J) can, by Declaration amendment to Exhibit J by Declarant, be assigned to a Unit as a limited common element for that Unit. Such additional parking space may be uncovered or covered (with a carport). No Unit may have more than two assigned spaces.

(d) Declarant may cover such additionally assigned spaces without approval of the Board of Directors. If a Unit has been sold to an individual purchaser after the recording of this Declaration, the Unit owner may not construct a cover (carport) on a parking space appurtenant to his Unit without prior approval of the Board. Such approval may be granted or withheld at the sole discretion of the Board since many factors are involved, such as the effect on aesthetics, views, traffic safety, parking difficulties, and added common area maintenance for the Association.

(e) Striping on parking spaces as of the date of Declaration recording and the physical structure of any carport shall control over parking space boundaries shown on the Map.

(f) Declarant's right to reassign any parking space to a different Unit and to assign an additional parking space to a unit by amendment to the Declaration shall not apply if the parking space(s) in question have been assigned to a Unit that has already been sold and conveyed to an individual purchaser. In other words, once a Unit has been sold to a purchaser by Declarant, the space(s) that are assigned to that Unit cannot be reassigned by Declarant to another Unit. Any such reassignment or additional assignment of spaces by Declarant may only be done by Declaration amendment to Exhibit J.

3 4 RESIDENTIAL DWELLING Each Unit shall be occupied and used or leased by the Owner only as and for a residential dwelling for the Owner, his family, guests, or tenants

3 5 MECHANIC'S AND MATERIALMAN'S LIENS Subsequent to the completion of the improvements described on the Map, no labor performed or materials furnished and incorporated in a Unit, notwithstanding the consent or request of the Owners, his agent, contractor or subcontractor, shall be the basis for filing of a lien against the interest in the Common Elements owned by the other Owners Each Owner shall indemnify and hold harmless each of the other Owners from and against all liability arising from the claim of any lien against the Unit of the other Owners or against their interest in the Common Elements for construction performed or for labor, materials, services, or other products incorporated in such Owner's Unit

3 6 RIGHT OF ENTRY The Association shall have the right to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair, or replacement of any of the Common Elements, or at any time for making emergency repairs therein necessary to prevent damage to the Common Elements or to another Unit or Units

3 7 OWNER MAINTENANCE (a) An Owner shall maintain and keep in repair the interior of his Unit, including the features thereof All fixtures and equipment, including, without limitation, the heating and air conditioning system and water heater, installed within the Unit, shall be maintained and kept in good repair by the Owner thereof Without limitation on the generality of the foregoing, an Owner shall maintain and keep in good repair (and replace, if so required) any security system, the air conditioning compressor, fans, ductwork, heating unit and cooling coils, utilized in and for his Unit, as well as other fixtures appurtenant to such Unit which are situated within or installed into or on the Limited Common Elements such as an air conditioning compressor, together with all pipes, wiring, ducts, and other equipment appurtenant thereto

(b) An Owner shall be obligated to repair and replace promptly any broken or cracked windows, doors, or glass forming a boundary of such Unit, subject to the Association's right to control the exterior finish and color of the doors Pipe leaks which are due to breaks, faulty connections, freeze damage, overflows, nails, or protrusions into pipes or appliances which exclusively serve the Owner's Unit and which are the maintenance responsibility of the Owner shall be repaired by the Owner This obligation shall apply regardless of whether the repairs are covered by the Association's insurance or the Unit Owner's homeowner's insurance Such Owner shall be responsible for any damages and cost of repairs to other Units or Common Areas due to such leaks only if such Owner or Owner's family, guests, tenants, agents, or contractors are negligent or otherwise at fault in causing the leak Notwithstanding anything to the contrary contained in this section, an Owner when exercising his right and responsibility of repair, maintenance, replacement, or remodeling shall never alter in any manner whatsoever, the exterior appearance of his Condominium Unit

3 8 BOARD APPROVAL FOR CONSTRUCTION, ALTERATION, OR MODIFICATION (a) No Owner may alter or modify the structural load-bearing components or the exterior of a condominium Unit without the prior written approval of the plans therefor by the Board of Directors No Owner may construct, alter, modify, add to, or otherwise perform any work whatever upon any of the Common Elements, Limited or General, without the prior written approval of the plans therefor by the Board of Directors

(b) Any proposed construction, alteration, or modification shall be in harmony with the external design and location of the surrounding structures and topography, and shall not be considered until submission to the Association of complete plans and specifications showing the nature, kind, shape, size, materials, color, location, and any other information requested by the Board for all proposed work The Board shall have the obligation to answer in writing within 30 days after receipt of notice of the proposed construction, alteration, or modification Failure to so answer in writing within the stipulated time shall be deemed approval of the proposed construction, alteration, or modification During the Construction and/or Sell-Out Period, Declarant shall have the sole right to approve or reject any plans and specifications submitted by a unit owner for approval

(c) An Owner shall do no act or any work that will impair the structural soundness or integrity of the Units, Buildings, or Common Elements or impair any easement or appurtenance

3 9 RESTRICTION OF OWNERSHIP As a restriction of the ownership provisions set forth in Section 1 1, an Owner shall not be deemed to own the perimeter walls, floors, ceilings, and roof surrounding his Unit, nor shall such Owner be deemed to own the utilities running through his Unit which are utilized for, or serve, more than one Unit, except as a tenant in common with the other Owners An Owner shall maintain and repair the interior, finished surfaces, including sheetrock and paneling, of the perimeter walls, floors and ceilings, windows, and other such elements consisting of paint, wallpaper, and other such finishing material An Owner shall also maintain the glass or other substitute in any perimeter walls or ceilings

3 10 LIABILITY FOR NEGLIGENT ACTS If the need for maintenance or repair to any portion of the Project is caused through the willful or negligent act of an Owner, his family, guests, tenants or invitees and is not covered or paid for by insurance either on such Owner's Unit or the Common Elements, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Unit is subject, pursuant to Article IV

3 11 SUBJECT TO DECLARATION AND BYLAWS The Owner of each Unit (including unsold Units owned by Declarant) and the Association shall comply strictly with the provisions of this Declaration, the Bylaws of the Association, and the decisions and resolutions of the Association adopted pursuant thereto, as the same may be lawfully amended from time to time Failure to comply with any of the same shall be grounds for an action to recover damages or for injunctive relief, or both, maintainable by the Association on behalf of the Owners or, in proper cause, by an aggrieved Owner against another Owner or against the Association, including the right to judicially contest the decisions of the Board or the Association

3 12 NON-DISTURBANCE OF CANYON AREAS

(a) Neither the Association nor any Unit Owner or other person may alter, damage, remove, cut, trim, or prune any natural vegetation, soils, or rock in canyon areas on the Map—except with Board approval for (1) removal of dead vegetation or removal of a fire hazard as approved by the City of Austin Fire Department, (2) compliance with any drainage easement maintenance requirements, (3) vegetation disease control as recommended by the City of Austin Environmental Department, (4) trimming or removal of vegetation to protect, install, or repair any power lines or other utilities in the canyon areas "Canyon area" for purposes of this section shall mean all lands further than 20 feet from the backside of the Units and from the common area improvements Tree pruning and topping with prior Board approval is permitted in such 20 foot areas provided in Section 4 10

(b) Other than improvements existing at the time of recordation of this Declaration, no improvements of any kind may be made to the canyon areas, including but not limited to pathways, trails, roads, structures, signs and fences

(c) No dumping of any kind (either liquid or solid) is allowed by anyone in the canyon areas, however, swimming pool discharge in the creek bottoms is permitted subject to City of Austin restrictions and/or requirements

(d) At least annually, the Association will remove any junk, refuse, or unauthorized materials from the Canyon Areas

(e) Other than for the authorized purposes set forth above, no person may enter the Canyon Areas The intent is that the Canyon Areas be left as undisturbed and pristine as possible, subject to the exceptions stated above

ARTICLE IV MANAGEMENT AND ADMINISTRATION

4 1 AUTHORITY TO MANAGE, ASSOCIATION DUTY TO MAINTAIN Except as otherwise provided in the Declaration, the affairs of the Project shall be managed and administered by the Association The Association shall have all rights, powers and duties of, and shall constitute and be, the "Association" as that term is used in the Texas Uniform Condominium Act The Association shall have the right, power, and obligation to provide for the maintenance, repair, replacement, and administration of the Project, including Common Elements and Limited Common Elements, to the degree and in the manner as provided in this Declaration, the Bylaws, and the rules and regulations of the Association However, the Association shall not be responsible for owner maintenance obligations outlined in Section 3 7 The business and affairs of the Association shall be managed by the Board, and the Association may enter into a management agreement upon the terms and conditions approved by the Board and consistent with this Declaration

4 2 BOARD OF DIRECTORS

(a) *Composition of Board* The Board shall consist of three, five, or seven persons who are members of the Association, spouses of members, or in the event that a Unit is owned by a corporation or other business entity, an officer, director, or employee of such entity The election of Directors and determination of the number of directors shall be conducted at each annual meeting of members

(b) *Voting by Board Members* Each member shall be entitled to cast his total number of votes, as calculated in the manner provided in Section 4 7(b) of this Declaration No member shall cast for any one candidate more than the total number of votes that member has The candidates receiving the highest number of votes for the respective Director positions, to which Directors are being elected, shall be deemed elected All votes shall be cast by written ballot Members shall not vote cumulatively for the election of Directors The presence of a majority of

Directors at a meeting of Directors shall constitute a quorum for the transaction of business. The action of a majority of the Directors present at a meeting at which there is a quorum shall be the act of the Board. A meeting of the Board shall be held each year promptly after the annual meeting of the members, at the place of such annual meeting of members, for the election of officers and the consideration of any other business that may properly be brought before such meeting. Regular meetings of the Board shall be held at such times and places as the Board shall determine.

(c) *Length of Term* The members of the Board shall serve for a term of one year commencing at the time of their election, or until their death, resignation, removal, or until they are no longer members of the Association, whichever is earlier. Any member of the Board may be removed from membership on the Board, with or without cause, by the affirmative vote of 67% of the votes represented at a quorum meeting of the Members called to consider such action or at an annual meeting of the Members. The initial Board members shall serve until the first annual meeting of the association.

4.3 ARTICLES OF INCORPORATION AND BYLAWS The administration of this Condominium Project shall be governed by this Declaration, the Articles of Incorporation of the Association, and the Bylaws of the Association, and the resolutions of and rules and regulations adopted by the Board. The initial Articles of Incorporation of the Association and initial Bylaws of the Association are contained in Exhibit E and Exhibit F, respectively. Each of the foregoing documents may be amended or changed only in accordance with the amendment procedures contained in the respective documents. An Owner of a Unit, upon becoming an Owner, shall be a member of the Association and shall remain a member for the period of his ownership.

4.4 ADMINISTRATION AND ENFORCEMENT OF DECLARATION, BYLAWS AND RULES The Association or any Owner may utilize any of the rights and remedies set forth below, for the enforcement of all restrictions, conditions, covenants, reservations, liens, bylaws, rules, charges, and liabilities imposed by the provisions of this Declaration, the Articles of Incorporation, the Bylaws, or Rules. Failure of the Association or any Owner to enforce shall not be deemed a waiver of the right to do so thereafter.

(a) *Rule and regulation authority* The Board may adopt rules and regulations (which may be referred to as Community Policies) for governing the use and maintenance of the property and obtaining compliance by Owners and their families, guests, and tenants with the Declaration and with Association bylaws, rules, and regulations provided that same are not prohibited by this Declaration or Texas law. The rules may address any subject relating to uses of Units, Common Areas, construction, repairs, parking, carports, unsightly objects, relationships between Owners, tenants and/or the Association, leasing, flags, exterior decorations, water submetering or water allocation, enforcement, and other subjects reasonably affecting the project. The rules must be consistent with and not in conflict with this Declaration. The initial Rules (or Community Policies) are attached as Exhibit I.

(b) *Late charges* The Board may adopt late charges, from time to time, for late payment by the Owners of monies owed to the Association.

(c) *Returned check charges* The Board may assess returned check charges against an Owner, as set by the Board from time to time, for each returned check, plus late charges, until acceptable payment is received.

(d) *Nonassessment items first* All monies received from an Owner may be applied first to nonassessment obligations of the Owner, such as fines, late charges, returned check charges, user fees, damages, etc., regardless of notations on checks and transmittal letters.

(e) *Suspension of voting rights and use rights* The right to vote and the right to use common facilities such as the swimming pool, etc. of any Owner who is more than 30 days delinquent on any sum owed to the Association shall be automatically suspended without notice. Such suspension rights shall extend to general or special membership meetings, mail ballots, committee meetings, board meetings, and all other meetings.

(f) *Fines* The Board or the Association's manager may assess fines against an Owner for violations by the Owner or his family, guests, agents, or tenants of standards of conduct contained in the Declaration and the Association rules. Fines may also be assessed for violation of suspended common facility use rights. Each day of violation may be considered a separate violation if the violation continues after written notice to the Owners. There must be notice of the alleged infraction and fine to the Owner no later than 45 days from the alleged infraction.

(g) *Remedies against tenants* The Board shall have authority to evict tenants of Owners, after reasonable notice, for substantial or repeated violations of Association rules. The Board shall have authority to enforce all rules against the Owner's tenants, including collection of fines for violations of the declaration or bylaws by the tenants.

(h) *Tenants may pay* If an Owner is delinquent in the payment of any sum due the Association for a period of 30 days or more, any tenant of the Owner occupying the unit may pay any sums due to the Association by

the Owner in order to avoid suspension of common area use rights, and the Tenant may deduct same from rent due to the Owner. The Association may enter into indemnity agreements to protect tenants who pay money to the Association under authority of this section.

(i) *Leasing* The Board may adopt reasonable requirements for leasing a Unit, in addition to those contained in Section 2.9(24). For example, the Board may require (1) that tenant names, work phones, home phones, and emergency contact persons be registered with the Board or the Association's management company, or (2) that a particular lease form be used, provided that members are free to modify or amend such lease form as they deem proper.

The management company managing the Association does not have authority to act for the Association in leasing or managing individual units. A unit owner may contract with the same management company which manages the Association to lease or manage a unit owned by the Owner. Additionally, in such case the unit owner shall inform the tenant that in leasing or managing the Owner's unit, the management company is not acting on behalf of the Association.

(j) *Interest* All sums due the Association by Owners shall bear interest from due date at the highest lawful rate, compounded annually.

(k) *Fees for special services* Fees chargeable to Owners for special services (such as furnishing resale certificates, eligibility certificates, copies of declarations, copies of information sent to mortgagees, copies of accounting records, etc.) shall be set by the Board from time to time.

(l) *Parking limitations* Vehicle owners shall reimburse the Association for any costs incurred in towing vehicles illegally parked provided notice required in applicable statutes is complied with in accordance with applicable statutes regarding illegal parking. Owners shall be responsible for parking violations of their tenants.

(m) *Pets* The Board may, from time to time, designate specific areas for pet defecation to the extent pets are allowed. Limitation of kind of pets allowed in a Unit shall be set from time to time by the Board and shall uniformly apply to all Owners, their family, guests, and tenants. Any rules regarding pets shall not be in conflict with Section 2.9(c) regarding pets.

(n) *Publication of delinquencies* The Board may disclose and publish to Association members and mortgagees the financial condition of the Association, including a list of names and amounts of any delinquencies. The Board may notify mortgage lenders and tenants of delinquent monies owed by such Owners to the Association. Mortgage lenders may notify the Board of any delinquencies in the payment of mortgages.

(o) *Name and address of new Owners* An Owner may not sell or convey his Lot without all monies due and owing to the Association being paid in full, and if such Owner does sell, convey, or transfer his Lot without paying such monies, such selling Owner shall remain liable for all monies accruing to the Association thereafter on such until such monies are paid in full. If an Owner sells or transfers Ownership of his Unit and fails to notify the Association of the sale, the selling Owner shall continue to be liable for the assessments accruing after the sale or transfer until such time as the selling or transferring Owner notifies the Association in writing of the name and address of the new Owner. The new Owner shall also be liable from the date of such new Owner's acquisition of title. The selling or transferring Owner shall have a right of indemnity against the new Owner for recovery of any sums paid by the selling or transferring Owner under this section.

(p) *Change of address* Owners shall keep the Association timely informed of their current addresses and any change of addresses.

(q) *Names and addresses of tenants* Owners shall notify the Association of current names and addresses of tenants of their respective Units.

(r) *Lien of the Association* The Association shall have a lien on an Owner's Unit, including any rentals and insurance proceeds relating to the Unit, to secure payment of all monies owed by the Owner to the Association. The lien and foreclosure of the lien is addressed further in Section 5.9.

(s) *Security devices on unit doors and windows* The Association may require all Unit Owners to comply with the Texas Property Code requirements for security devices on doors and windows to the same extent that the Code requires residential landlords to provide security devices, even if the Owner's Unit is not rented.

(t) *Venue and lawsuit authority* All obligations of owners, tenants, and the Association arising under this Declaration, the Bylaws, or Rules shall be performed in Travis County, Texas, and venue for any lawsuits relating thereto shall be in Travis County, Texas. The Association shall have the right to file and defend a suit (including

injunctions) and recover on behalf of the Owners in any cause of action based on damages to the common facilities or Common Area or based on liabilities of Owners and their families, guests, agents, tenants, or third parties accruing to Owners and/or the Association

(u) *Attorney's fees* If delinquent accounts or other violations are turned over to the Association's attorney, the Owner shall be liable for all attorney's fees incurred by the Association in collections, filing liens, foreclosing liens, releasing liens, prosecuting lawsuits, and/or otherwise enforcing the Declaration, Bylaws, and rules

(v) *Association Entry* The Association shall have the right to enter an Owner's Unit for purposes of (1) inspection for utility leaks and frozen pipes, (2) prevention of water pipe freezing (by turning on heat or dripping faucets), and (3) protection of property rights and quiet enjoyment of other owners. The Association may request but not require Owners to furnish the Association with entry keys to their Units for such purposes. If the Unit is unoccupied at the time such entry is needed for such purposes, only a locksmith may be used for gaining entry except in case of extreme emergency such as a fire. Emergency utility leaks may be repaired by the Association at the Owner's expense without prior notice. Utility leaks for which the Owner is responsible under the Declaration, Bylaws, or rules may be repaired by the Association at the Owner's expense with prior notice delivered to the Unit if the Owner fails to promptly repair them. If the Unit is vacant and for sale or lease, the Unit Owner shall furnish a key in a sealed envelope to the Unit to the Association until it is sold or leased, such key to be used only in the event of suspected utility leaks or repairs thereof. Except by court order, the Association may not unilaterally abate or alter structural improvements within a Unit (i.e. walls, ceilings, built-in cabinetry) that are in violation of the Declaration.

(w) *Abandoned Unit* If an Owner of a Unit has abandoned it and if neither the Owner nor anyone occupying the Unit with the Owner's permission is residing in the Unit and if the Owner is more than 60 days delinquent in payment of sums due the Association, the Association may enter the Unit and rent the Unit to third parties (subject to the right of any first lienholder) and apply all rents received to sums due the Association by the Owner and thereafter to the Owner's account and to any repairs to the Unit necessary for renting. Provided, however, such may be done only after 10 days' notice, sent via certified mail to the Owner's last known address and to the Owner's first lien mortgagee, (if any), along with a copy of this section of the Declaration, and provided further that such may not be done if the Owner or mortgagee delivers written objection to the Association at any time after the alleged abandonment.

(x) *Notices to multiple Owners, tenants, and mortgagees* Notice to or from one of multiple Owners or tenants of a Unit shall be deemed as notice to or from all Owners or tenants of that Unit. If an Owner is more than 60 days delinquent, the Association may send to the Owner's tenant a copy of any Association notices or communications with the Owner. The Association shall give such notice upon written request of a first lien mortgage or insurer.

(y) *Assignment of revenues* The Association shall have the power to convey a security interest in its revenues to a lender for purposes of obtaining loans necessary for the operation and/or improvement of the Project. No such security interest may be given without being approved by a vote of 67% of the Association members voting in person or by proxy at an Association meeting.

(z) *Other powers* The Association shall have all other powers necessary and proper for the government and operation of the Association, including but not limited to those powers contained in the Texas Uniform Condominium Act. Such powers include the right to grant permits, licenses, and easements over Common Elements for utilities, roads, and other purposes for the proper operation of the Property.

4.5 MEMBERSHIP AND VOTING

(a) *Membership* The Association shall have members, said members being divided into two classes. The Class A membership of the Association shall be composed of the Owners (other than Declarant or any successor developer of the Stillhouse Canyon Condominiums) of the Condominium Units of the Project. The Class B membership of the Association shall be composed of Declarant or any successor developer of the Stillhouse Canyon Condominiums, to the extent that Declarant, or such successor developer, is the Owner of one or more of the Condominium Units of the Project. The term "successor developer" shall refer to and mean any entity that succeeds Declarant in its rights, obligations, and interests as the developer of the Project.

Membership in the Association shall be appurtenant to the legal, fee title to the Condominium Units of the Project, and upon the transfer of title to a Condominium Unit of the Project, the membership appurtenant thereto shall be deemed to be transferred to the grantee of such Condominium Unit, upon recordation of the deed or other conveyance thereof in the Real Property Records of Travis County, Texas, provided, however, that the transfer of the legal, fee title to a Condominium Unit by Declarant to other than a successor developer shall not transfer the Class B

membership appurtenant thereto, which shall cease and be permanently retired (except as stated below), but shall result in the new Owner becoming a Class A member

No membership in the Association may be conveyed or transferred in any other manner. When the title to a Condominium Unit in the Project is owned by more than one person, firm, corporation, or other entity, the membership in the corporation appurtenant to such Condominium Unit shall be owned in the same manner and to the same extent as the Condominium Unit, with all the Owners of such Condominium Unit being collectively the member in the Association. If a Condominium Unit is reacquired by Declarant before the last Unit owned by the Declarant is sold, the Class B membership which was originally appurtenant thereto shall be reinstated until it is again conveyed to other than a successor developer.

(b) *Voting* Ownership of each Condominium Unit in the Project by a Class A member entitles the Owner or Owners (collectively) thereof to one vote. Ownership of a Condominium Unit in the Project by a Class B member shall entitle the Owner to three votes until the end of the Construction and/or Sell-Out Period. The purpose of the foregoing is to give control of the Project to Declarant during the Construction and/or Sell-Out Period for an orderly construction and initial operation of the Project.

If a Condominium Unit is owned by more than one person, the Owners who own fractional interests in such Condominium Unit aggregating more than 50% of the whole ownership thereof shall appoint one member who shall be entitled to exercise the votes pertaining to that Condominium Unit at any meeting of the members of the Association. Such designation shall be made in writing to the Board of Directors and shall be revocable at any time by actual notice to the Board of Directors or upon the death or judicially declared incompetence of any one of the Owners of such Condominium Unit.

If a Condominium Unit is owned by more than one member claiming to be entitled to exercise the voting right attributable to that Condominium Unit, then none of such members shall be allowed to exercise the voting rights attributable to such Condominium Unit unless such members concur upon the manner in which such votes will be cast. Failure of such Owners to concur shall result in that Condominium Unit being excluded in all respects in determining whether a requisite number of votes has been cast with respect to the matter upon which such vote is being taken. All members of the Association may be present at any meeting of the members and may act at such meetings in person or by proxy (whether physically present or not). If at any time the Association shall hold legal title to one or more Condominium Units, the voting rights to which the Owner thereof otherwise would be entitled shall be exercised as directed by majority vote of the Owners in attendance at the meeting, in person or by proxy.

(c) *Completed and uncompleted units* The membership and voting rights referred to above shall accrue to an Owner of a Unit, regardless whether the Unit has been constructed or completed.

4.6 INSURANCE

(a) *Fire and Extended Coverage* The Association shall obtain and maintain at all times insurance of the type and kind required by this Declaration, including such other risks, of a similar or dissimilar nature, as are or shall customarily be covered with respect to condominium projects, similar in construction, design and use, issued by responsible insurance companies authorized to do business in the State of Texas. The insurance shall be carried in blanket policy form naming the Association, the Owners and all mortgagees of Units (of whose lien interest the Association receives written notice) as the insureds. In addition, each policy or policies shall identify the interest of each Unit Owner and shall provide for a standard, noncontributory mortgage clause in favor of each First Mortgagee. Further, the policy shall insure against loss or damage by fire, vandalism, malicious mischief, broken pipes, and such other hazards as are covered under standard extended coverage provisions for the full insurable replacement cost of the Common Elements, and against such other hazards and for such amounts as the Board may deem advisable (with a deductible amount set by the Board of Directors). Flood insurance is not necessary because none of the Units or improvements are in a Special Flood Hazard Area or in the 100-year flood plain according to FEMA maps.

The Association's casualty insurance policy shall cover water damage from broken or damaged pipes, overflowing appliances or fixtures, and wind-blown water or rain damage to a Unit, including the Unit's surfaces (e.g. walls and carpet)—but not to the Unit's contents, however, each owner shall be responsible for all risk of loss or damage to the Unit which is not covered because of the deductible in the Association's casualty policy. Owners are encouraged to purchase their own homeowners insurance to cover such "deductible" risk and to cover damages or losses of their Unit contents.

Each Owner irrevocably designates the Association, as attorney in fact, to administer and distribute such proceeds as is elsewhere provided in this Declaration. Such insurance policy shall also provide that it cannot be canceled or substantially modified by either the insured or the insurance company until after 30 days prior written

notice to each First Mortgagee. The Board of Directors shall, upon request of any First Mortgagee, furnish a certified copy of each blanket policy and a separate certificate identifying the interest of the Mortgagee.

All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular Owner guilty of a breach of warranty, act, omission, negligence or non-compliance of any provision of such policy, including payment of the insurance premium applicable to that Owner's interest, or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy, but the insurance under such policy, as to the interests of all other insured Owners not guilty of any act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

The Association, in order to preserve the integrity of the Project, shall be deemed to have an "insurable interest" in each Unit and the property contained within the unfinished interior surface of the perimeter walls, floors and ceiling of each Unit, and may insure such property and improvements within the interior unfinished perimeter walls, floors, and ceiling of each Unit. Any insurance obtained by the Association or a Unit Owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against the Unit Owners, Association and their respective servants, agents or guests.

The Association shall be obligated to rebuild any structure that is covered by insurance and that is destroyed due to casualty.

(b) *Liability Insurance* The Association shall maintain a policy of comprehensive public liability insurance and property damage insurance against claims for personal injury or death, or property damage suffered by the public, or any Owner or Occupant, family, agent, employee, or invitee of an Owner or Occupant, occurring in, or about the Limited or General Common Elements, including, but not limited to walkways, terraces, passageways, driveways, roadways, stairs, or property adjoining the Project, which public liability and property damage insurance shall afford protection to such limits and extent as the Association deems desirable, provided that the policy limit shall not be less than an amount approved at the Association annual membership meeting covering all claims for personal injury and/or property damage arising out of a single occurrence. In no event shall the liability policy amount be less than \$1,000,000. Such liability and property damage insurance policy shall also contain a cross-liability endorsement wherein the rights of a named insured under the policy or policies shall not prejudice his, her, or their action or actions against another named insured. Such insurance policy shall also provide that it cannot be canceled or substantially modified by either the insured or the insurance company until after 30 days prior written notice to each First Mortgagee to the extent allowed by law. This liability coverage does not insure the individual Unit Owner for liability or damages arising out of the use of his individual Unit as distinguished from the Common Elements of the Project.

(c) *Fidelity Bond* The Association shall maintain or cause to be maintained an adequate blanket fidelity bond covering all persons handling or responsible for funds of or administered by the Association and that such bond shall be of a kind and in an amount the Association deems necessary for the protection of the Owners.

(d) *Condominium Unit Owners Insurance* The insurance required in Section 4.6(a) does not insure the personal property, clothing, and furniture and furnishings of the Unit Owner, and each such Unit Owner may, at the Owner's option and expense, obtain such other insurance as the Owner deems necessary to insure such personal property. In addition, the insurance required in Section 4.6(a) does not insure the Units or any wall coverings, carpets, fixtures, installations or additions which are affixed to the interior surfaces of the perimeter walls, floors and ceilings of the individual Units, and which were not installed in accordance with the original plans and specifications for the Project. An Owner of a Unit may obtain at his cost and expense such additional insurance as may be necessary to insure such improvements.

4.7 ACCOUNTING, AUDIT, INSPECTION OF RECORDS (a) The Board shall keep or cause to be kept books of detailed account of the receipts and expenditures affecting the Project and its administration and specifying the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Project or the Association. Both the books of accounts and all vouchers supporting the entries made therein shall be available for examination at the office of the Association by all Owners at convenient hours on working days and the Board shall cause to be established and announced for general knowledge the days and hours within which such books shall be available for inspection. All such books and records shall be kept in accordance with generally accepted accounting procedures, consistently applied, and shall be audited at least once a year by an outside auditor selected by the Board unless directed otherwise by the Association at the annual membership meeting. The fiscal year of the Association shall be the calendar year unless another period is established by resolution of the Board.

(b) At all times, the Association shall have and maintain current copies of the declaration, articles of incorporation, bylaws, and Association rules, along with books, records, and financial statements, available for

inspection by Unit Owners or by holders, insurers, or guarantors of first mortgages that are secured by units in the project, during normal business hours

(c) The Association shall make an audited statement for the preceding fiscal year available to the holder, insurer, or guarantor of any first mortgage that is secured by a unit in the project on submission of a written request for it. The audited financial statement shall be available within 120 days of the Association's fiscal year-end.

4.8 ARCHITECTURAL CONTROL COMMITTEE The Board shall serve as the Architectural Control Committee for the Association, approving or disapproving construction, alternation, and modifications pursuant to Section 3.8 and Section 6.1(a). A full copy of the original construction plans for Stillhouse Canyon Condominiums shall be permanently retained by the Association and kept in the possession of an Association officer or the chairman of the Architectural Control Committee at all times for use in future construction decisions and approvals.

4.9 SECURITY POLICIES

(a) Neither Declarant nor the Association promises, warrants, or guarantees the safety or security of Owners, occupants, family, tenants, guests, or their agents or contractors or their personal property against the criminal actions of others. Each Owner and other person in the Project has the responsibility to protect himself or herself and to maintain insurance to protect his or her belongings. Owners and tenants should contact an insurance agent to arrange appropriate fire and theft insurance on their personal property.

(b) No security system, patrol, access gate, or electronic security device can provide protection against crime at every location at every moment of the day or night. Even elaborate security systems are subject to mechanical malfunction, tampering, human error or personnel absenteeism, and can be defeated or avoided by clever criminals. Therefore, Owners and all other persons in the Project should not rely on such systems and should always protect themselves and their property as if no security systems exist. Owners and all other persons in the Project should make no other assumptions regarding security. The best safety measures are those precautions that can be performed as a matter of common sense and habit.

(c) If security systems, security devices, access gates, or walk-through/drive-through services are utilized in the Project, no representation is made by Declarant or the Association that such systems, devices, or services will prevent injury, theft or vandalism. Any companies or individuals walking or driving the community on behalf of owner are, by law, may not carry weapons and have no greater authority under the law to restrain or arrest criminals or to prevent crime than the ordinary citizen. Neither Declarant nor the Association promises, warrants, or guarantees that any such systems, devices, or services do in fact discourage or prevent breaches of security, intrusions, thefts, or incidents of violent crime. Declarant and the Association reserve the right to reduce, modify or eliminate any security system, security devices, or services (other than any that are statutorily required) at any time, and such action shall not be a breach of any obligation or warranty on the part of Declarant or the Association. "Neighborhood Crime Watch" signs, if any, do not imply safety or security.

(d) If controlled access gates or intrusion alarms are provided, Owners will be furnished written operating instructions, and it is the responsibility of Owners and their tenants to read them and bring any questions to the attention of the Association or its management company. Further, it is the responsibility of Owners and their tenants to promptly notify the Association in writing of any known problem, defect, malfunction or failure of door locks, window latches, lighting, controlled-access gates, intrusion alarms, and other security-related devices in the common area. Each Owner and tenant must report to the Association any crime that he or she is aware of and that occurs in the Owner's Unit or in common areas near the Owner's Unit. If an Owner's Unit is equipped with an intrusion alarm, the Owner is responsible for all fines and other charges resulting from or attributable to the alarm, including false-alarm charges -- even if caused by the Owner's tenant, family, guests or contractors. The Association has the right to enter a Unit for purposes of cutting off a security system in which the intrusion alarm is disturbing other Owners or their tenants.

(e) Protecting Owners, their families, occupants, guests and invitees from crime is the sole responsibility of the respective Owners, occupants, and law enforcement agencies. Owners, tenants, and other occupants should call the police or 911 first if a crime occurs or is suspected. Owners, tenants, and other occupants should promptly report to the Association or the Association's management company in writing any common area locks, latches, lighting, overgrown shrubbery, fences, gates, intrusion alarm, and other security-related devices that they believe are in need of repair or improvement.

(f) Declarant and the Association expressly disclaim any duties of security. Declarant and the Association shall not be responsible for damage or injury resulting from improper use of or malfunction of access gates.

4.10 NATURAL LANDSCAPING TO REMAIN INTACT The natural landscaping in the Project shall remain intact and unaltered in any way unless modified by Declarant or by approval of 67% of the members of the

Association Exceptions may be made by the Board for (1) removal of dead vegetation or removal of a fire hazard as approved by the City of Austin Fire Department, (2) compliance with any drainage easement requirements, (3) vegetation disease control as recommended by the City of Austin, (4) trimming or removal of vegetation to protect, control, or repair any power lines or other utilities, and (5) tree pruning and topping in the 20 foot area adjacent to condominium units and other improvements

ARTICLE V MAINTENANCE ASSESSMENTS

5.1 ASSESSMENTS FOR COMMON EXPENSES AND ASSESSMENTS UPON PURCHASE

(a) All Owners shall be obligated to pay the estimated Common Assessments imposed by the Association to meet the Common Expenses, subject to the other provisions of this Section 5.1. Common Assessments for the estimated Common Expenses shall be due monthly in advance on or before the first day of each calendar month. By resolution of the Board, the frequency of collection of Common Assessments may be altered to a monthly frequency. If an Owner fails to pay the Common Assessment applicable to his Condominium Unit by the fifth day after such assessment is due, the Board shall have the right to impose and assess a late charge in such amount (not to exceed any applicable usury limit) as may be established by the Board from time to time. Assessments for the respective Units shall commence on the date each Unit is sold by Declarant. Declarant shall be liable to pay all operational shortfalls as per Section 5.12.

(b) Commencing with the first sale of a Unit by Declarant, any Owner (other than a Declarant) purchasing a Unit shall make a contribution to the reserve fund of the Association equal to two months' regular assessments, in addition to paying the monthly assessment. The contribution will be due on the date title is acquired by the new Owner. See also Section 7.5.

(c) During the Declarant Sell-Out period as defined in Section 1.1(i), Declarant shall subsidize all shortfalls in Association revenue that are needed to pay Association expenses. This Declarant obligation shall be in lieu of paying assessments on unsold Units.

5.2 PURPOSE OF ASSESSMENTS The Common Assessments levied by the Association shall be used exclusively for the purposes of promoting the health, safety, welfare, and recreation of the Owners of the Units, and in particular for the improvement, maintenance, operation, administration and preservation of the Project.

5.3 DETERMINATION OF ASSESSMENTS The assessments to be paid by all of the Owners, including Declarant, shall be determined by the Board of Directors based upon the cash requirements necessary to provide for the payment of all Common Expenses. Examples of expenses that will be taken into account in making this determination include, among other items, taxes, governmental assessments, landscaping and grounds care, common area lighting, repairs and renovation, garbage collections, wages, water charges, legal and accounting fees, insurance, management costs and fees, expenses and liabilities incurred by the Association or Managing Agent under or by reason of this Declaration, expenses incurred in the operation and maintenance of recreation and administrative facilities, payment of any deficit remaining from a previous period and the creation of a reserve contingency fund. Owners having exclusive use of Limited Common Elements shall not be subject to any special charges or assessments for the repair or maintenance thereof subject to the provisions of Section 3.7. The omission or failure of the Board to fix the assessment for any calendar quarter shall not be deemed a waiver, modification, or release of the Owners from the obligation to pay Common Assessments.

5.4 UTILITIES (a) Each Owner shall pay for his own utilities, which are currently separately metered and billed, to each Unit Owner by the respective utility companies. Utility expenses which are not separately metered and billed shall be part of the Common Expenses and each Unit Owner shall pay his pro-rata share thereof as in the case of other Common Expenses.

(b) The Board may, at the Association's expense, submeter each Unit for water consumption in that Unit and bill each Unit for its respective share of the Association's water and wastewater bill from the City of Austin or successor water/wastewater utility for the entire project. If submetering is not done, the Association's water/wastewater bill may be allocated in accordance with rules of the Texas Natural Resource Conservation Commission.

(c) The Board may, at the Association's expense, purchase and/or install one or more master electrical meters and may purchase from the local electric utility company all existing electrical meters serving the individual units for the purpose of submetering electricity in the Project. The purpose of the foregoing is to allow the Unit Owners to benefit by less expensive electrical rates, following electrical deregulation, that may result from the ability to purchase in bulk and load manage the Property. The Board may install or require installation of equipment in the various Units and in Common Elements for the purpose of extensive load management. For the purpose of

achieving the lowest electrical rate for all Unit Owners, the Board may require all Unit Owners to purchase their electricity from a common source

(d) In the event of utility submetering or allocation as per Texas Public Utility Commission or Texas Natural Resource Conservation Commission rules, the Association may assess each Unit for its respective share of such submetered or allocated utilities in accordance with such governmental regulations

5 5 OWNER OBLIGATIONS FOR ASSESSMENTS AND MID-YEAR ALTERATIONS OF ASSESSMENTS

(a) All Owners shall be personally obligated to pay the Common Assessments imposed with respect to his Unit by the Association to meet the Common Expenses. The Common Assessments shall be imposed based upon each Owner's proportionate or percentage interest in and to the Common Elements listed in Exhibit C.

(b) If the Board determines at any time during the calendar year that an increase or decrease in the amount of the Common Assessment is required to adequately perform the duties and responsibilities of the Association and pay all expenses thereof, then the Board shall call a special meeting of the Owners. By the assent of the Owners to which at least 67% of the votes of the Association are allocated, the amount of the Common Assessment for the remainder of such year may be altered. The new Common Assessment shall remain in effect until a new amount is established either under this section 5 5 or under Section 5 7.

5 6 SPECIAL ASSESSMENTS FOR IMPROVEMENTS (a) In addition to the regular Common Assessments authorized by this Declaration, the Board of Directors may levy in any calendar year a special Common Assessment or Assessments applicable to that calendar year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction or unexpected major repair or replacement of a described capital improvement constituting or to constitute part of the Common Elements. Such special assessment may be for the necessary fixtures and personal property related thereto, or for the purchase of any movable or personal property for the common use of all the Owners, or for such other purpose or purposes as the Declarant or the Board of Directors may consider appropriate and for the common benefit of all of the Owners.

(b) Such special assessment shall be imposed upon the Owners in proportion to the respective ownership interests in the Common Elements as set out in this Declaration, provided however, that no such special Common Assessment shall become effective until the same has received the affirmative vote of at least 67% of the total votes cast, in person or by proxy, at a special meeting of the members of the Association to be called for the purpose of such vote, notice of which special meeting shall be given to each member in accordance with the provisions of the Bylaws of the Association regarding notices of special meetings. At any such meeting the membership may by the required affirmative vote aforesaid, amend or modify any such special Common Assessment proposed by the Declarant or the Board of Directors. The pro rata part and share of each Owner of any such special Common Assessment shall be due and payable as provided in the resolution adopting or approving any such special Common Assessment.

5 7 COMMENCEMENT OF ASSESSMENTS The regular Common Assessments shall be due on the first day of each calendar month. The assessments shall be prorated if the ownership of a Unit commences on a day other than the first day of a calendar month. The Board shall fix the amount of the regular Common Assessments applicable to the units at least 30 days prior to January 1st of each year. The Association may, by vote of the membership, change the assessments to quarterly rather than monthly.

5 8 NO EXEMPTION No Owner may exempt himself from liability for his contribution towards the Common Expenses by waiver of the use or enjoyment of any of the General or Limited Common Elements or by abandonment of his Unit.

5 9 LIEN FOR ASSESSMENTS

(a) All sums due and unpaid by a Unit Owner shall be secured by an express contractual lien (which is hereby created, granted and reserved) on such Unit and any insurance proceeds and rents relating to such Unit, which lien shall be superior and prior to all other liens and encumbrances, except only for

(1) Assessments, liens and charges in favor of the State of Texas or a political subdivision thereof for taxes on the Unit, and

(2) All liens securing sums due or to become due under any duly recorded and valid first lien mortgage, or initial construction mortgage, including all unpaid obligatory sums as may be provided by such encumbrance and including additional advances made thereon if the mortgage was recorded before the delinquency accrued.

(b) To evidence the amounts from time to time secured by such contractual lien the Board of Directors may, but shall not be required to, prepare written notice setting forth the amount of such unpaid indebtedness, the name of the Owner of the Unit and a description of the Unit. Such notice shall be signed by one of the members of the Board of Directors or the Association's attorney and may be recorded in the Office of the County Clerk of Travis County, Texas. Such contractual liens may be enforced by the Association through judicial foreclosure or nonjudicial foreclosure on the defaulting Owner's Unit. Any such foreclosure sale is to be conducted in accordance

with the provisions applicable to the exercise of powers of sale in mortgages and deeds of trust, as set forth in the Texas Property Code, or in any other manner permitted by law. Each Owner, by accepting a deed to his Unit, shall be deemed to have expressly granted to the Association a power of sale upon his Unit to secure payment of the Common Assessments thereafter imposed upon the Owner. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceedings, the costs and expenses for filing the notice or claim of lien and all reasonable attorney's fees. The Association shall have the right to bid on the Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey same, if it is the highest bidder at such foreclosure sale. Without other formality than executing an instrument in writing, the Association shall have the right to appoint a successor or substitute trustee to exercise the power of sale.

(c) Suit to recover a money judgment against the Owner for unpaid sums shall be maintainable without foreclosing or waiving said lien securing same.

(d) Any lienholder on a Unit may pay any unpaid sums due imposed with respect to such Unit, and upon such payment, lienholder shall have a lien on such Unit for the amount paid of the same rank as the lien of his encumbrance.

(e) A lien for any assessment will not be affected by the sale or transfer of the Unit, unless a foreclosure of a first mortgage is involved, in which case the foreclosure will extinguish the lien for any assessments that were payable before the foreclosure sale, but will not relieve any subsequent Unit Owner from paying further assessments.

5.10 SUBORDINATION OF THE LIEN TO MORTGAGES. The contractual lien securing monies owed to the Association shall be subordinate to the lien of any First Mortgagee provided the lien is recorded with the Clerk of Travis County, Texas prior to the due date of the amount(s) owed to the Association. Sale or transfer of any Unit pursuant to a foreclosure by a First Mortgagee shall not affect the Association's lien as to the amounts secured thereby which became due and payable prior to the recording of the mortgage being foreclosed upon or which become due and payable after the date of the foreclosure of the lien of the First Mortgagee. A foreclosure pursuant to a superior lien shall not extinguish the Association's lien under this Declaration on amounts becoming due and after the date of such foreclosure. No such foreclosure shall relieve such Unit, or the Owners thereof, from liability for monies owed by the Owner to the Association.

5.11 STATEMENT OF ASSESSMENTS. Upon payment to the Association of a reasonable fee calculated to reimburse the Association for the cost of providing same, and upon the written request of any Owner or any lienholder or prospective purchaser or lienholder of a Unit, the Association, by its Board of Directors or the Managing Agent, shall issue a written statement setting forth the unpaid Common Assessments and other sums due, if any, with respect to the subject Unit, the amount of the current Common Assessments, the date the next of such Common Assessments becomes due and payable, which shall be conclusive upon the Association in favor of the addressee of such statement.

5.12 PAYMENT OF ASSESSMENTS BY DECLARANT. As provided in Section 82.112 of the Texas Uniform Condominium Act, from the date of the first sale of a Unit by Declarant until the end of three years or the end of the Construction and/or Sell-Out Period, whichever is sooner, the Declarant shall periodically pay to the Association an amount equal to all operation expenses of the Association, less the operational expense portion of the assessments paid by Unit Owners other than Declarant. In other words, the Declarant shall pay for any operations expense shortfall during the Construction and/or Sell-Out Period, and monthly assessments for unsold Units owned by the Declarant shall be zero dollars during that time period. Notwithstanding the foregoing, Declarant shall always contribute, on a monthly basis for each of Declarant's unsold units, an amount attributable to that unit's prorata share of replacement reserves.

5.13 PERSONAL LIABILITY FOR ASSESSMENTS. Assessments and other sums due shall be the personal obligation of the Owner of the Unit at the time the sum accrued. Subsequent Owners shall not be personally liable but their Units shall nonetheless be subject to a lien for payment of same as set forth in Section 5.9. Successor Units may agree to assume such liability, however.

ARTICLE VI DESTRUCTION OR OBSOLESCENCE OF IMPROVEMENTS

6.1 DESTRUCTION OR OBSOLESCENCE. Repair and reconstruction of the Buildings or Common Elements, as used in the succeeding subsections, means restoring the Buildings or Common Elements to substantially the same condition as they existed prior to the damage, with each Unit and the Common Elements having the same vertical and horizontal boundaries as prior to such damage and destruction. Unless specifically stated, restoration of those portions of the Buildings situated within the unfinished perimeter walls, floors and ceilings of a Unit are not included. The Association shall be and each Unit Owner hereby appoints the Association as attorney in fact to represent the Unit Owner in (1) negotiations, settlement, and litigation involving any insurance.

claims under any insurance policies purchased by the Association, (2) condemnation proceedings for Common Elements, and (3) litigation involving Common Elements. The proceeds of any insurance collected shall be paid to the Association for the benefit of the Unit Owners and their respective mortgagees and for the purpose of repair, restoration or replacement, unless all of the Owners and all of the First Mortgagees agree not to rebuild in accordance with the provisions below.

(a) If damage to or destruction of Buildings or Common Elements is due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct the damaged Buildings and Common Elements shall be applied by the Association to such reconstruction, and the damaged Buildings and Common Elements shall be promptly repaired and reconstructed. Unit owners shall be strictly bound by the location, dimensions, heights, profiles, and all other aspects of the common elements as shown on the construction drawings of the project for when it was originally constructed, according to the original architectural construction drawings, a copy of which is retained by the Association. See Section 4.8.

(b) If the insurance proceeds are insufficient to repair and reconstruct the damaged Buildings and Common Elements, and if such damage is not more than 67% of all the Buildings, such damage or destruction shall be promptly repaired and reconstructed by the Association using the proceeds of insurance and the proceeds of a Common Assessment to be made against all of the Owners and their Units. Such Common Assessment shall be a special Common Assessment (for which the approval of 67% of the Owners pursuant to Section 5.6 is not required) made pro rata according to each Owner's proportionate interest in and to the Common Elements and shall be due and payable within 30 days after written notice thereof is given to the Owners. The Association shall have the authority to cause the repair or restoration of the damage using all of the insurance proceeds for such purpose notwithstanding the failure of an Owner to pay the Common Assessment. The Common Assessment shall be a debt of each Owner and secured by the contractual lien on his Unit and may be enforced and collected as is provided in Article V.

(c) If more than 67% of all the Buildings are destroyed or damaged, and if the Owners representing the aggregate ownership of 100% of the Common Elements do not voluntarily, within 100 days thereafter, make provision for reconstruction, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association the entire remaining Project shall be sold by the Association free and clear of the provisions contained in this Declaration, the Map and the Bylaws. The insurance settlement proceeds shall be collected by the Association, and such proceeds shall be divided by the Association according to each Unit Owner's interest in the Common Elements, and such divided proceeds shall be paid into separate accounts, one for and attributable to each Unit. Each such account shall be in the name of the Association, and shall be further identified by the number of the Unit and the name of the Owner. From each separate account, the Association shall use and disburse the total amount in each such account, without contribution from any one account to another, toward the full payment of (i) all taxes and special assessments upon such Unit, (ii) all recorded liens upon the Unit and (iii) all unpaid Common Assessments upon such Unit and with the balance being payable to the Owner of such Unit. There shall be added to each such account, the apportioned amount of the proceeds derived from the sale of the entire Project. Such apportionment shall be based upon each Condominium Unit Owner's proportionate interest in the Common Elements. The total funds of each account shall be used and disbursed, without contribution from one account to another, by the Association for the same purposes and in the same order as is provided in the preceding sentence. Any decision to terminate the Condominium Regime must have the approval of First Mortgagees holding mortgages on Units which have at least 51% of the votes of the Association.

(d) If the Owners representing a total ownership interest of 100% of the Common Elements adopt a plan for reconstruction, then all of the Owners and their successors in title shall be bound by the terms and provisions of such plan. Any assessment made in connection with such plan shall be a Common Assessment and made pro rata according to each Owner's proportionate interest in the Common Elements and shall be due and payable as provided by the terms of the plan but not sooner than 30 days after written notice thereof. The Association shall have the authority to cause the repair and restoration of the damage using all of the insurance proceeds for such purpose notwithstanding the failure of an Owner to pay the Common Assessment. The Common Assessment shall be a debt of each Owner and a lien on his Unit and may be enforced and collected as is provided in Section 5.9.

(e) Any termination of the project or declaration for reasons other than substantial destruction or condemnation of the property may occur only upon approval of the first lien mortgages of at least 67% of all Units. Proceeds from any termination of the project shall be distributed in accordance with the percentages in Exhibit C.

6.2 JUDICIAL PARTITION. There shall be no judicial partition of the Common Elements, nor shall Declarant or any person acquiring any interest in the Project or any part thereof seek any such judicial partition, until the happening of the conditions set forth in Section 6.1 in the case of damage or destruction or unless the Condominium Regime has been terminated.

6.3 CONDEMNATION. (a) If all or part of the Project is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Association and each

Owner shall be entitled to participate in proceedings incident thereto. The Association shall give timely written notice of the existence of such proceedings to all Owners and to all First Mortgagees known to the Association to have an interest in any Unit. The expense of participation in such proceedings by the Association shall be a Common Expense.

(b) The Association is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Association in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for such taking shall be deposited with the Association and such damages or awards shall be applied as provided below. If an action in eminent domain is brought to condemn a portion of the Common Elements, the Association in addition to the general powers set out in this Declaration, shall have the sole authority to determine whether to defend or resist any such proceeding, to make any settlement with respect thereto, or to convey the Property to be condemned to the condemning authority in lieu of such condemnation proceedings. With respect to any such taking of the Common Elements, all damages and awards shall be paid to the account of each Owner proportionately in accordance with such Owner's interest in the Common Elements.

(c) The Association, if it deems advisable, may call a meeting of the Owners, at which meeting the Owners, by a majority vote, shall decide whether to replace or restore as far as possible, the Common Elements so taken or damaged. If it is determined that such Common Elements should be replaced or restored by obtaining other land or building additional structures, this Declaration and the Map shall be duly amended by instrument executed by the Association on behalf of the Owners.

ARTICLE VII PROTECTION OF MORTGAGEES

7.1 MORTGAGE PRIORITIES. Any Owner shall have the right from time to time to mortgage or encumber his Unit by deed of trust, mortgage or other security instrument.

7.2 NOTICE TO ASSOCIATION. Upon request by the Association, an Owner who mortgages his Unit shall notify the Association, giving the name and address of his mortgagee. Each mortgagee shall be permitted to notify the Association of the fact that such mortgagee holds a deed of trust or mortgage on a Unit. The Board shall maintain such information in its records.

7.3 NOTICE OF DEFAULT, LAPSE IN INSURANCE. The Association shall notify a mortgagee of a Unit in writing, upon written request of such mortgagee, who also provides the Association with its name and address and the number of the Unit on which it holds its lien, of any default by the Owner of such Unit in performing such Owner's obligations, as set forth in the Declaration, which are not cured within 30 days after written notice to do so has been given. The Association, upon written request, shall notify a First Mortgagee of any lapse, cancellation, or material modification of any insurance policy of fidelity bond maintained by the Association.

7.4 EXAMINATION OF BOOKS. Upon request, the Association shall permit Unit Owners and their mortgagees to examine current copies of the Declaration, Bylaws, other rules concerning the Project, and the books and records of the Association during normal business hours.

7.5 RESERVE FUND. The Association shall establish adequate reserve funds for replacement of Common Elements and fund the same by regular Common Assessments rather than by special Common Assessments. The purpose of the fund is to pay for unforeseen expenditures, or to acquire additional equipment for services deemed necessary or desirable by the Board. The initial reserve fund shall be established by collecting at the time of sale of each Unit by Declarant the sum of at least two months of estimated common charges for such Unit or at the time control of the Property is transferred to the Unit Owners by the Declarant, whichever is earlier. Any amounts paid into this fund are not to be considered as advance payments of regular assessments. The reserve fund shall be held in the name of the Association at all times, in a segregated fund under the control of the Association. The reserve fund may not be used by the Declarant to defray any of Declarant's expenses, reserve contributions, or construction costs or to make up budget deficits while Declarant is in control of the Association. When unsold units are sold by Declarant, the Declarant shall be reimbursed from the reserve fund for any of such Unit's reserve fund earlier contributed to the reserve fund by the Declarant. Except as provided in Section 5.1(b), the reserve fund shall be funded out of regular monthly assessments to the extent reasonably possible.

7.6 ANNUAL AUDITS. Upon written request the Association shall furnish each First Mortgagee an annual financial statement of the Association within 90 days following the end of each fiscal year of the Association upon payment of reasonable copy charges.

7.7 NOTICE OF MEETINGS. The Association shall furnish each First Mortgagee upon written request by such First Mortgagee, prior written notice of all meetings of the Association and permit the designation of a

representative of such First Mortgagee to attend such meetings, one such request to be deemed to be a request for prior written notice of all subsequent meetings of the Association

7 8 NOTICE OF DAMAGES, DESTRUCTION, OR CONDEMNATION Upon written request by it, the Association shall furnish a First Mortgagee timely written notice of any substantial damage or partial destruction of any Unit on which such First Mortgagee holds the mortgage if such loss exceeds One Thousand Dollars (\$1,000 00) and of any part of the Common Elements if such loss exceeds Ten Thousand Dollars (\$10,000 00) The same notice shall be timely given if condemnation proceedings are instituted on a mortgagee's Unit or if specific notice to a lienholder is required under this Declaration

7 9 MANAGEMENT AGREEMENTS The Association shall be professionally managed A management certificate, in compliance with the requirements of the Texas Uniform Condominium Act, shall be timely filed with the County Clerk of Travis County, Texas A copy of the management certificate to be used is contained in Exhibit G and may be modified as needed or required by law Any agreement for professional management of the Project will be terminable by the Association after the expiration of the Construction and/or Sell-Out Period without cause and without payment of a termination fee upon 90 days' written notice, and the term of such agreement will not exceed the period of one year If a management agreement is terminated, the Association shall enter into a new management agreement with a new management agent prior to the effective date of the termination of the old management agreement

7 10 ALTERATION AND DESTRUCTION OF UNITS The Association may not alter or destroy a Unit or a Limited Common Element without the consent of all Owners affected and the First Mortgagees of all affected Owners

7 11 MORTGAGES NOT AFFECTED BY VIOLATION Violation of any provision of the Declaration by Declarant or any Unit Owner will not invalidate a mortgage on the Unit

ARTICLE VIII MISCELLANEOUS PROVISIONS

8 1 AMENDMENTS TO DECLARATION, APPROVAL OF OWNERS AND MORTGAGEES

(a) The consent of the Owners of Units to which at least 67% of the votes in the Association are allocated, is required to amend this Declaration, subject to the limitation below

(b) No declaration amendments may be made which both (1) materially and adversely affect the interest of any Owner or First Mortgagee of a Unit, and (2) affects

- voting rights,
- increases in assessments that raise the previously assessed amount by more than 25% without written explanation therefor to all mortgagees of record,
- changes in assessment liens or the priority of assessment liens,
- reductions in reserves for maintenance, repair, and replacement of Common Elements,
- responsibility for maintenance and repairs,
- reallocation of interests in the General or Limited Common Elements, or rights to their use,
- redefinition of any unit boundaries,
- convertibility of units into Common Elements or vice versa,
- expansion or contraction of the project, or the addition, annexation, or withdrawal of property to or from the project,
- hazard or fidelity insurance requirements,
- imposition of any restrictions on a Unit Owner's right to sell or transfer ownership of his or her Unit,
- a decision by the Association to establish self-management,
- restoration or repair of the project (after damage or partial condemnation) in a manner other than that specified in this declaration,
- procedures for amendment or termination of the declaration,
- any provisions that expressly benefit mortgage holders, insurers, or guarantors

(c) The Board of Directors may, by unanimous vote, at any time amend this Declaration or the Bylaws by instrument duly signed, acknowledged and filed for record, for the sole purpose of having the Declaration comply

with financing eligibility requirements of the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veterans Administration, Federal Housing Administration, or comparable federal or state agencies

8.2 DIMENSIONS The square footage, size, and dimensions of each Unit as set out and shown in this Declaration or on the Map are approximate and are shown for descriptive purposes only, and that the Declarant does not warrant, represent, or guarantee that any Unit actually contains the area, square footage, or dimensions shown by the plat thereof. A purchaser of a Unit shall have no claim or demand against the Declarant or any other person because of any difference, shortage, or discrepancy between the Unit as actually and physically existing and as it is shown on the Map. The existing physical boundaries of a Unit or of any Unit reconstructed in substantial accordance with the original plans thereof shall be conclusively presumed to be in the boundaries, regardless of settling, arising, or lateral movement of the building and regardless of variance between the boundaries shown on the Map and those of the Buildings. A complete set of architectural plans from the original construction of the Units shall be a permanent part of the Association records and shall be followed in performing reconstruction after a casualty loss, subject to applicable government building code changes.

8.3 OWNERSHIP OF COMMON PERSONAL PROPERTY No Owner shall have any other interest and right to personal property owned by the Association and all such right and interest shall absolutely terminate upon the Owner's termination of possession of his Unit.

8.4 CHANGE IN DOCUMENTS Upon written request, the holder of any mortgage covering any of the Units shall be entitled to written notification from the Association 30 days prior to the effective date of any change in this Declaration.

8.5 NONLIABILITY AND RELEASE OF THE ASSOCIATION, OFFICERS, AND DIRECTORS

(a) *Nonliability and release* THE ASSOCIATION AND ITS OFFICERS AND DIRECTORS SHALL NOT BE LIABLE TO UNIT OWNERS, THEIR TENANTS, AND PERSONS ON THE PROPERTY AT THEIR INVITATION OR WITH THEIR PERMISSION, FOR PROPERTY DAMAGE, PERSONAL INJURIES OR HARM RESULTING AT ANY TIME FROM NEGLIGENT CONDUCT OF THE ASSOCIATION OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS RELATING TO ENFORCEMENT OR NONENFORCEMENT OF THE ASSOCIATION'S DECLARATION OR RULES. THIS INCLUDES BUT IS NOT LIMITED TO DECLARATION PROVISIONS AND RULES REGARDING PET LEASH REQUIREMENTS, TRAFFIC INTERSECTION SIGHTLINES, SWIMMING POOL RULES, TRAFFIC SIGNS, VEHICLE PARKING, COMMON AREA LIGHTING OR FENCING, COMMON AREA SECURITY, HAZARDOUS MATERIALS STORAGE, ELECTRICAL LINES, OR SANITARY SEWER SYSTEM FAILURES, ETC. BY ACCEPTANCE OF A DEED OR LEASE, OWNERS AND TENANTS, AS WELL AS PERSONS ON THE PROPERTY AT THEIR INVITATION OR WITH THEIR PERMISSION, ARE DEEMED TO HAVE RELEASED THE ASSOCIATION AND ITS OFFICERS AND DIRECTORS FROM SUCH LIABILITY, TO THE EXTENT AUTHORIZED BY LAW. THE FOREGOING DOES NOT RELEASE AN OFFICER OR DIRECTOR FROM LIABILITY FOR ACTS OR OMISSIONS WHICH ARE (1) A BREACH OF THE OFFICER'S OR DIRECTOR'S DUTY OF LOYALTY AND FIDUCIARY DUTY TO THE ASSOCIATION OR ITS MEMBERS, (2) ACTS OR OMISSIONS NOT IN GOOD FAITH OR INVOLVING INTENTIONAL MISCONDUCT OR A KNOWING VIOLATION OF LAW, (3) A TRANSACTION FROM WHICH AN OFFICER OR DIRECTOR RECEIVES AN IMPROPER BENEFIT, WHETHER OR NOT THE BENEFIT RESULTED FROM AN ACTION TAKEN WITHIN THE SCOPE OF THE DIRECTOR'S OFFICE, OR (4) AN ACT OR OMISSION FOR WHICH THE LIABILITY OF THE DIRECTOR IS EXPRESSLY PROVIDED BY STATUTE.

(b) *Indemnity* The Association shall indemnify all such Directors and Officers from all claims, demands, actions and proceedings and any expenses in connection therewith, except if such Director or Officer has acted in violation of the foregoing.

(c) *Directors and officers liability insurance* The Board may purchase (but is not requested to purchase) directors and officers liability insurance. Such insurance and any indemnification payments shall be treated as a common expense. The Board of Directors is authorized and directed to modify the Association's corporate charter to conform to this Section 8.5.

8.6 NOTICES All notices, demands or other notices intended to be served upon an Owner may be sent by ordinary or certified mail, postage prepaid, or by personal delivery, in any event addressed in the name of such Owner in care of the Unit number and Building address of such Owner. All notices, demands or other notices intended to be served upon the Board of Directors of the Association or the Association, may be sent by ordinary or certified mail, postage prepaid, or by personal delivery, in any event to the management company for the

Association, until such address is changed by a notice of address change duly recorded in the Real Property Record of Travis County Texas

8 7 CONFLICT BETWEEN DECLARATION AND BYLAWS Whenever the application of a provision of this Declaration conflicts with the application of any provision of the Bylaws adopted by the Association, the provisions or application of this Declaration shall prevail

8 8 INVALIDATION OF PARTS If any of the provisions of this Declaration or any section, sentence, clause, phrase or word or the application thereof in any circumstances is invalidated or declared unenforceable, such invalidity shall not affect the validity of enforceability of the remainder of this Declaration and the application of any provisions, section, sentence, clause, phrase, or word in any other circumstance shall not be affected thereby

8 9 OMISSIONS In the event of the omission from this Declaration of any word, sentence, clause, provision, or stipulation which shall be necessary for the accomplishment of the intent and purposes of this Declaration, then such omitted matter shall be supplied by inference and/or by reference to the Act

8 10 CONSENT OF MORTGAGEE The financial institution holding a first lien on the Property at the time of recordation of this Declaration consents to the creation of the Declaration, as set forth in Exhibit H

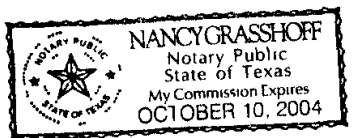
IN WITNESS WHEREOF, this Revised Declaration has been executed as of the 15th day of June, 2001

DECLARANT PAW IV Development, LLC,
a Colorado limited liability company
By Peter A Wells
Printed Name PETER A WELLS
Title MANAGER

STATE OF Texas
COUNTY OF TRAVIS

This instrument was acknowledged before me on the 15 day of June, 2001
by Peter A. Wells, as manager of PAW IV Development, LLC, a Colorado limited liability company under the laws of the State of Colorado, on behalf of said company

Nancy Grasshoff
Notary Public for the State of _____
Printed name of notary _____
My commission expires _____



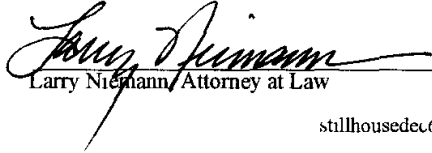
stillhousedec6/13/01/2D

- Attached Exhibits
A - Legal Description of the Property
B - Map of the Property
C - Percentage of Ownership of Common Elements
D - Title at the Time of Revised Declaration
E - Articles of Incorporation of the Association
F - Bylaws of the Association
G - Management Certificate
H - Consent of Declarant's Mortgagee
I - Community Policies (Initial)
J - Parking Space Assignments

Certification of Compliance

The undersigned hereby certifies that this Declaration of Covenants, Conditions, and Restrictions for the Stillhouse Canyon Condominiums complies with the requirements of the Texas Uniform Condominium Act and applicable requirements of the Department of Housing and Urban Development, the Federal National Mortgage Association, and the U S Department of Veterans Affairs (Veterans Administration) existing at the time of recordation of the Declaration with the County Clerk of Travis County, Texas. This instrument was prepared in the law offices of Niemann & Niemann, Westgate Building, Suite 313, 1122 Colorado Street, Austin, Texas 78701, (512) 474-6901

June 15, 2001
Date


Larry Niemann, Attorney at Law

stillhousedec6/13/01/2D

LEGAL DESCRIPTION OF THE PROPERTY
SUBJECT TO THE DECLARATION

All of the Stillhouse Canyon Condominiums, including but not limited to all of the units or apartments in all of the buildings together with all of the limited common elements and the general common elements of Stillhouse Canyon Condominiums, a condominium regime created pursuant to that certain Declaration of Condominium Regime of Stillhouse Canyon Condominiums, dated January 13, 1992, recorded in Volume 11600, Page 412 of the Real Property Records of Travis County, Texas, as amended by Amendment to Declaration of Condominium Regime of Stillhouse Canyon Condominiums dated January 20, 1992, recorded in Volume 11605, Page 1826 of the Real Property Records of Travis County, Texas, formerly known as Lot 1, Stillhouse, a subdivision in Travis County, Texas, according to the map or plat thereof recorded in Book 84, Page(s) 165D-166A of the Plat Records of Travis County, Texas, including easement estates created by that certain Easement between Stillhouse, Ltd., and Clifton Lind, Trustee, dated April 15, 1985, recorded in Volume 9128, Page 843 of the Real Property Records of Travis County, Texas, and Emergency Vehicle Access Easement dated April 15, 1985, recorded in Volume 9128, Page 859 of the Real Property Records of Travis County, Texas, as corrected in Volume 10121, Page 783 of the Real Property Records of Travis County, Texas

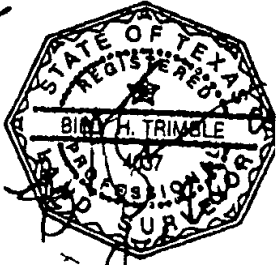
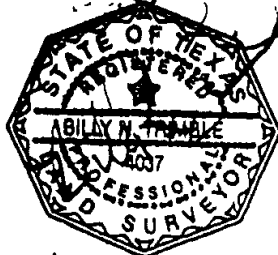
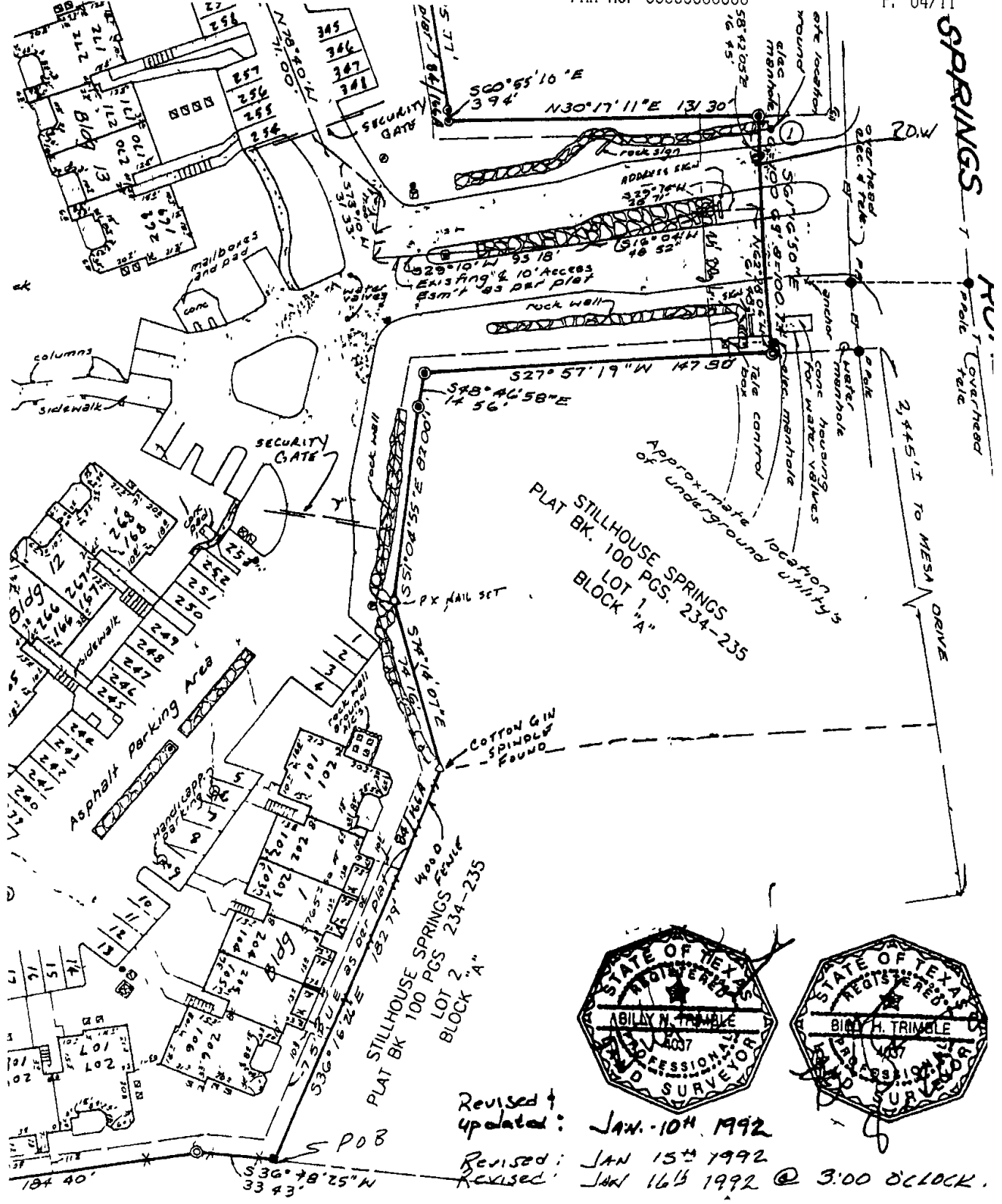
MAP OF THE PROPERTY
SUBJECT TO THE DECLARATION

A "Map" of the project is recorded as Document No 2001096409, Condominium Plat Records of Travis County, Texas. The Map consists of (1) a 24" x 36" sheet containing an as-built survey of the project and showing buildings, units, parking spaces, and amenities, (2) a 24" x 36" sheet showing a survey of two easements, and (3) 12 additional 24" x 36" sheets showing elevations (vertical profiles and dimensions) from the original construction drawings for the project. The following unnumbered pages are portions of the "as-built survey" part of the Map.

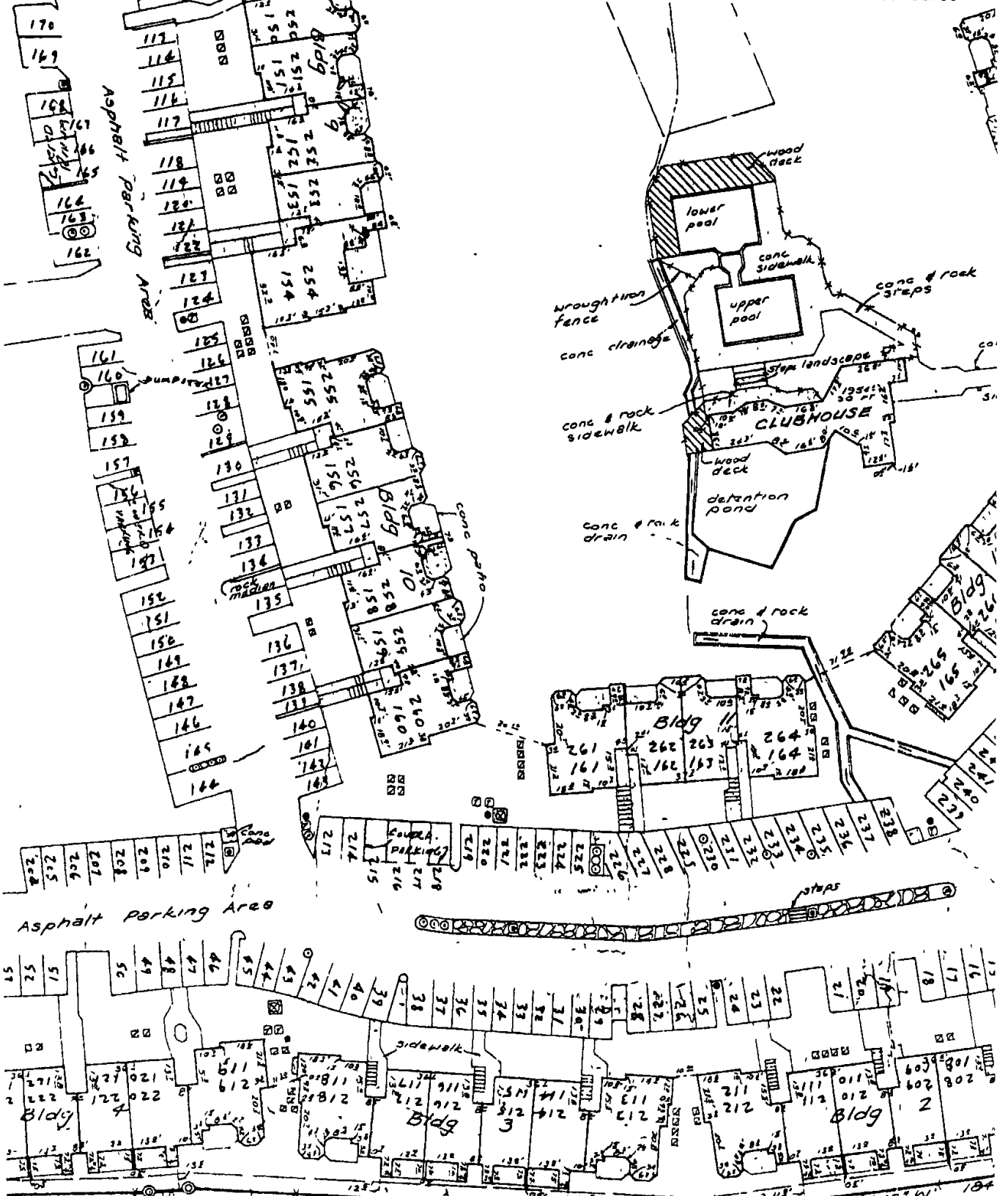
SPRINGS

OVERHEAD
MOBILE
PHONE
TOWER

2,445'± TO MESA DRIVE



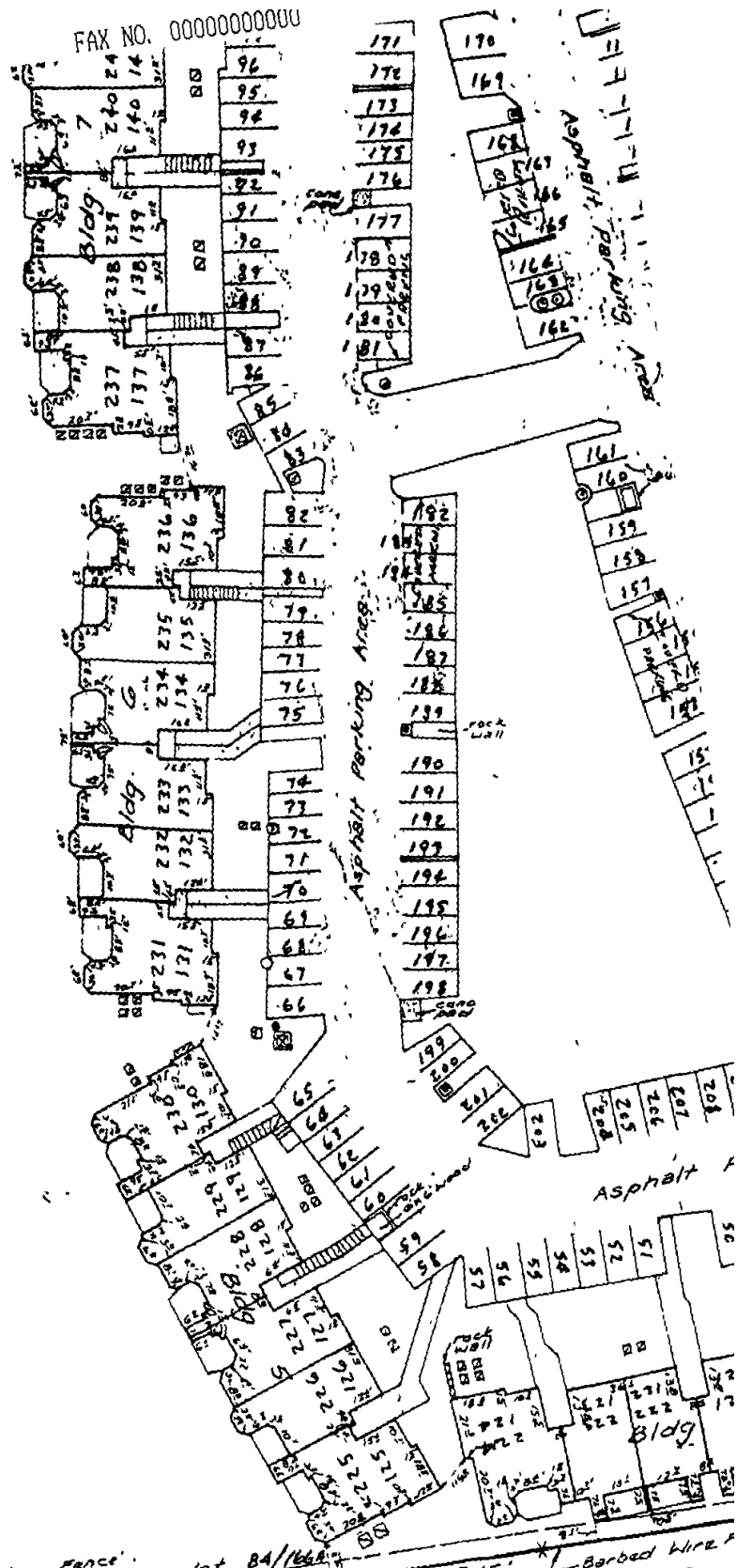
Revised & updated: JAN. 10th 1992
 Revised: JAN 15th 1992
 Revised: JAN 16th 1992 @ 3:00 O'CLOCK.



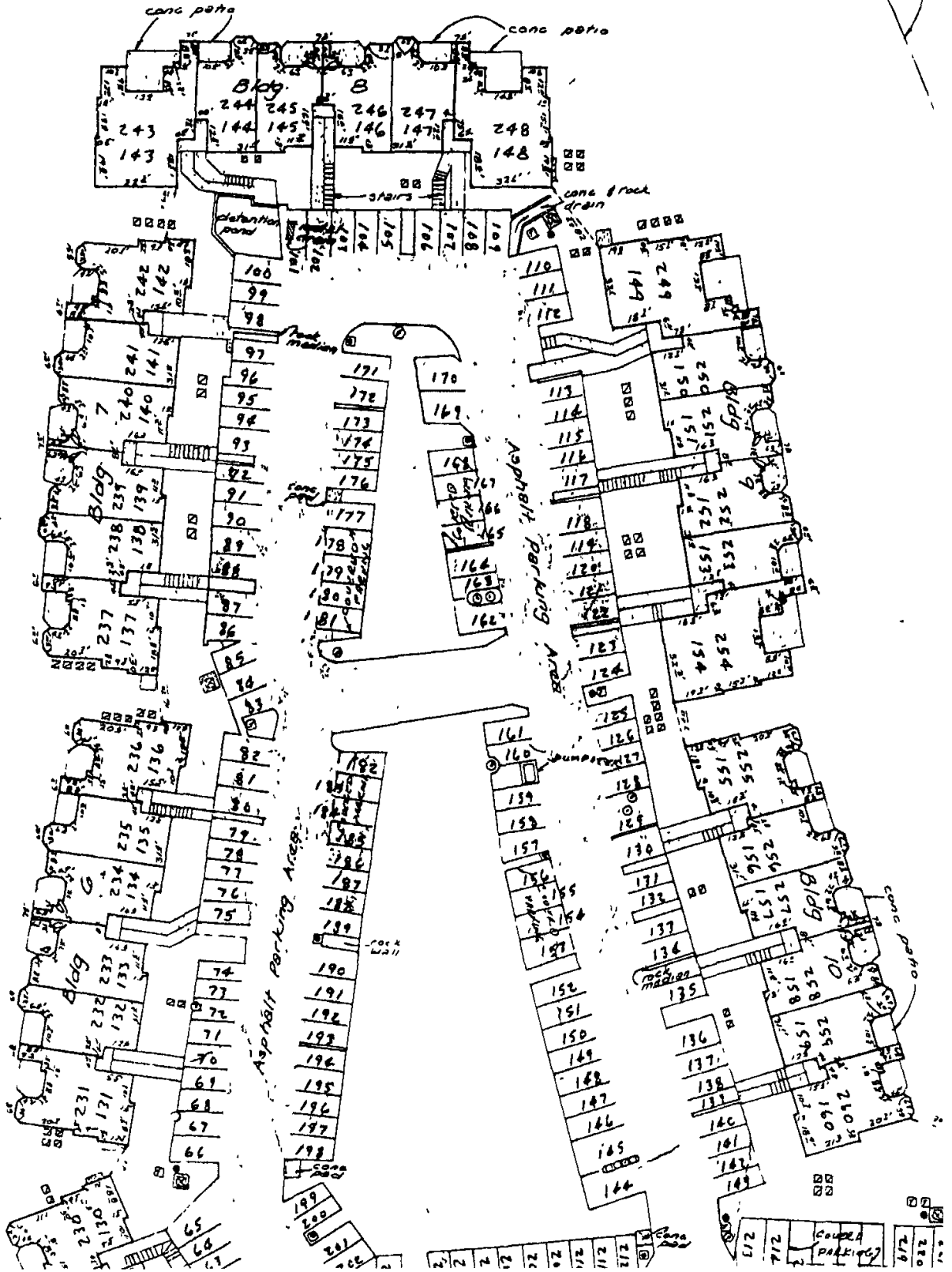
red wire fence * 527°25'50"W 15'99" * 539°21'16"W * 212'01" * 523°08'43"W 184'

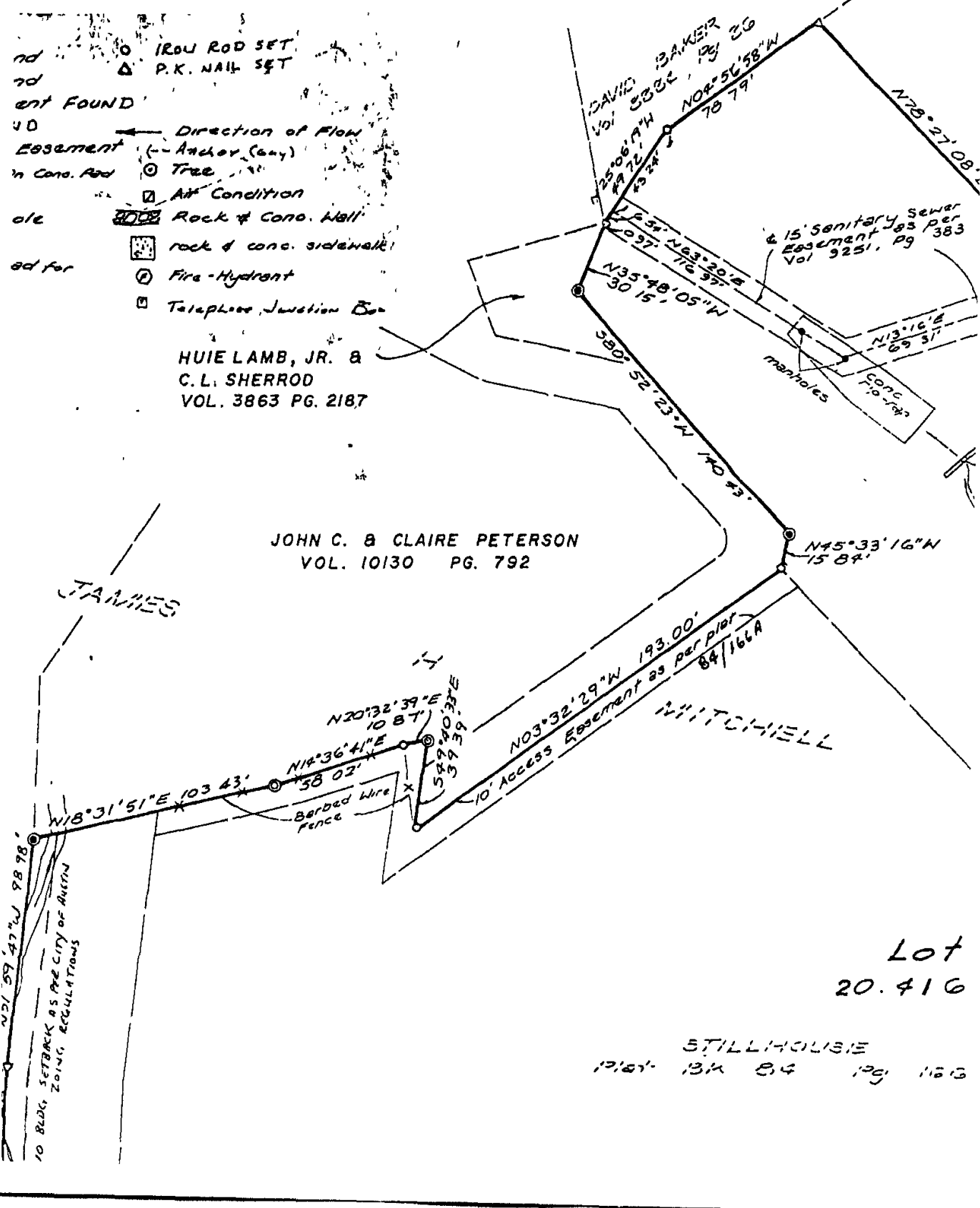
LTD VOL 11782 PG 1181

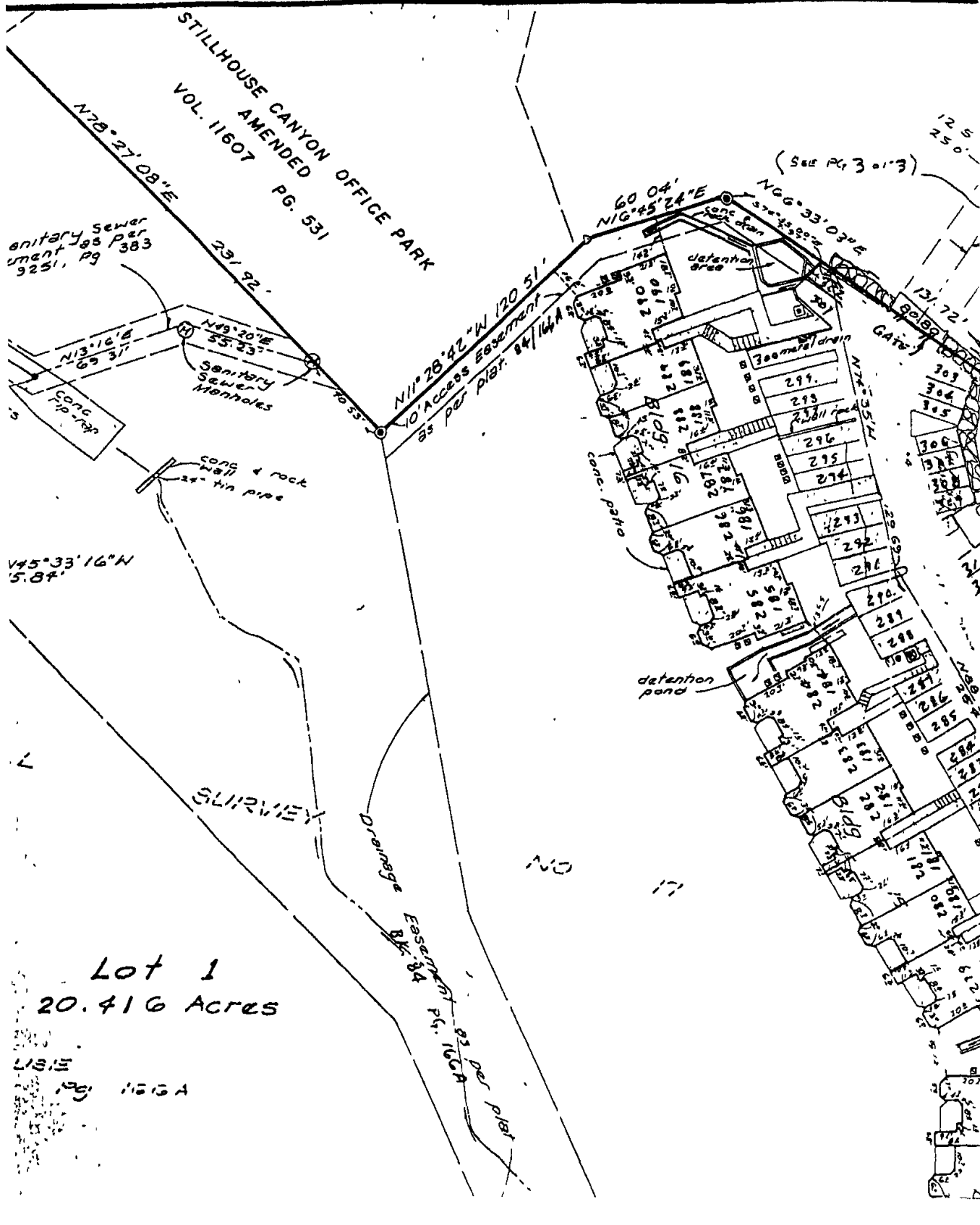
STILLHOUSE CANYON CONDOMINIUMS
VOL. 11600 PG. 412
AMENDED
VOL. 11605 PG. 1826



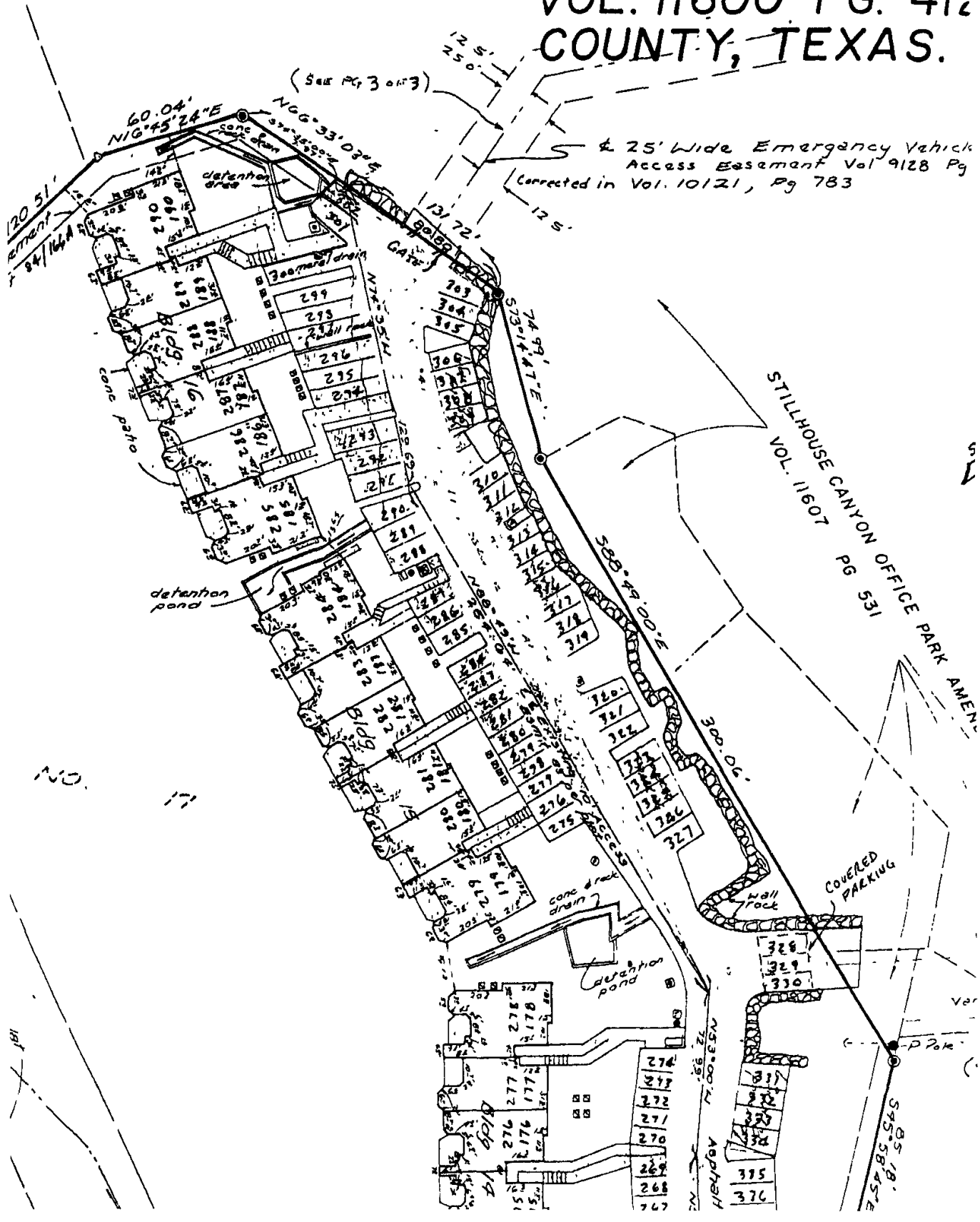
Barbed Wire Fence
175' P.U.E. 03 per plot 84/1668
527°52'00"W 23 03
529°58'08"W 29915'
Barbed Wire
CAPROCK CANYON, LTD







VOL. 11600 U. T. C. TITLE COUNTY, TEXAS.



NO.

17

STILLHOUSE CANYON OFFICE PARK AMENITIES
 VOL. 11607 PG 531

COVERED PARKING

Ver
P. 20

Note: All Buildings are Two (2) story rock and frame.

Note 355 Parking spaces as of November 28th, 2000.

Note: Square footage of Buildings may vary due to deviation from absolute squareness of foundation and imperfection in concrete and masonry work

Address. 4711 Spicewood Springs Road, Austin, Texas 78759

SURVEYOR'S CERTIFICATE

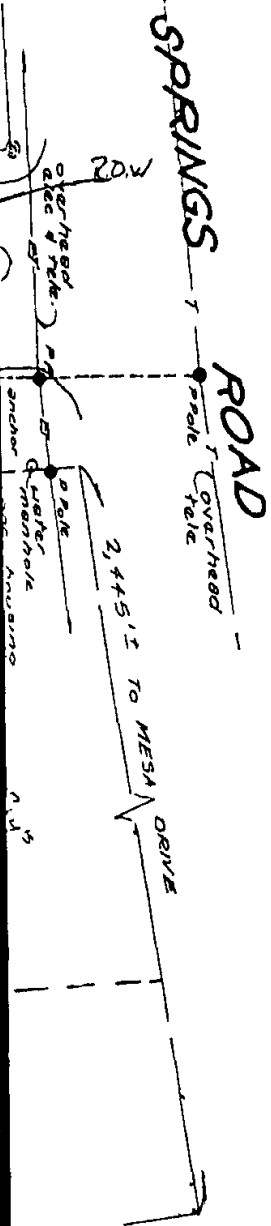
The undersigned Registered Professional Land Surveyor hereby certifies to PAW IV Development, LLC, a Colorado limited liability company, Stillhouse Apartments, LLC, a Colorado limited liability company, Wells Fargo Bank, National Association, Heritage Title Company of Austin, Inc., Lawyers Title Insurance Corporation, and Stillhouse Ltd. (collectively the "Beneficiaries") that this plat of survey and the property description set forth hereon are true and correct and prepared from an actual on-the-ground survey of the real property show hereon such survey was conducted by the surveyor, or under the surveyor's supervision, all monuments shown hereon actually exist, and the location, size and type of material thereof are correctly shown, except as shown hereon, there are no encroachments onto the property of protrusions there from there are no visible easements or rights-of-way on the property land there are no visible discrepancies conflicts, shortages in area or boundary line conflicts, the size, location and type of improvements are as shown hereon, and all are located within the boundaries of the property and set back from the property lines the distances indicated, the distance from the nearest intersecting street or road is shown, the property has access to and from a public roadway, all recorded easements as identified by the title company have been correctly platted hereon, and the boundaries dimensions and other details shown hereon are true and correct to the best of my abilities

The surveyor expressly understands and agrees that this certificate is made to induce Wells Fargo Bank, National Association herein the lender, to extend credit secured by deed of trust lien or mortgage lien as the case may be, covering the property and to induce Lawyers Title Insurance Corp. herein the title Co. To issue a policy of the title insurance insuring the validity and priority of such deed of trust lien, both lender and title company, and all of the other Beneficiaries are entitled to rely on this plat of survey as being true and accurate and the consideration paid to the surveyor for the preparation and certification of survey has been paid in part for the benefit of lender and Title Company and in anticipation of their reliance hereon

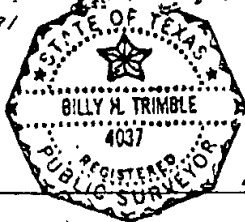
The undersigned Registered Professional Land Surveyor hereby certifies that the property described hereon is not within a special Flood Hazard Area, as identified by the Federal Emergency Management Agency, Community Panel No 480624 0195 E, dated June 16th 1993 Zone X.

Executed this the 19th day of April, 2001

REVISED THIS THE 11TH DAY OF JUNE, 2001.
REVISED THIS THE 18TH DAY OF MAY, 2001.
UPDATED & REVISED THIS THE 1ST DAY OF FEBRUARY, 2001.
Updated this the 16th Day of December, 1991



3:00 O'CLOCK PM.



11-10-86

Billy H. Trimble

Billy H. Trimble,
TEXAS REGISTERED PROFESSIONAL LAND SURVEYOR NO. 4037
TRIMBLE LAND SURVEYING, INC.
4131 SPICEWOOD SPRINGS ROAD, SUITE B-1
AUSTIN, TEXAS 78759

**PERCENTAGES OF OWNERSHIP
OF COMMON ELEMENTS**

The percentage of undivided interest in the Common Elements stated below reflect each unit's percentage of the total number of bedrooms in the Condominium Project. The percentages are to be used for purposes of (1) regular and special Common Assessments, and (2) distribution of any monies paid by a governmental authority for the taking of common areas.

UNIT NO	NO OF BEDROOMS	PERCENTAGE OF UNDIVIDED OWNERSHIP	UNIT NO	NO OF BEDROOMS	PERCENTAGE OF UNDIVIDED OWNERSHIP
<u>Building No 1 (1st Floor)</u>			<u>Building No 1 (2nd Floor)</u>		
101	2	65788%	201	2	65788%
102	1	32894%	202	1	32894%
103	1	32894%	203	1	32894%
104	1	32894%	204	1	32894%
105	1	32894%	205	1	32894%
106	2	65788%	206	2	65788%
<u>Building No 2 (1st Floor)</u>			<u>Building No 2 (2nd Floor)</u>		
107	2	65788%	207	2	65788%
108	1	32894%	208	1	32894%
109	1	32894%	209	1	32894%
110	1	32894%	210	1	32894%
111	1	32894%	211	1	32894%
112	2	65788%	212	2	65788%
<u>Building No 3 (1st Floor)</u>			<u>Building No 3 (2nd Floor)</u>		
113	2	65788%	213	2	65788%
114	1	32894%	214	1	32894%
115	1	32894%	215	1	32894%
116	1	32894%	216	1	32894%
117	1	32894%	217	1	32894%
118	2	65788%	218	2	65788%
<u>Building No 4 (1st Floor)</u>			<u>Building No 4 (2nd Floor)</u>		
119	2	65788%	219	2	65788%
120	1	32894%	220	1	32894%
121	1	32894%	221	1	32894%
122	1	32894%	222	1	32894%
123	1	32894%	223	1	32894%
124	2	65788%	224	2	65788%
<u>Building No 5 (1st Floor)</u>			<u>Building No 5 (2nd Floor)</u>		
125	2	65788%	225	2	65788%
126	1	32894%	226	2	65788%
127	2	65788%	227	2	65788%
128	2	65788%	228	2	65788%
129	1	32894%	229	2	65788%
130	2	65788%	230	2	65788%
<u>Building No 6 (1st Floor)</u>			<u>Building No 6 (2nd Floor)</u>		
131	2	65788%	231	2	65788%
132	1	32894%	232	2	65788%
133	2	65788%	233	2	65788%

134 2 65788%
135 1 32894%
136 2 65788%

Building No 7 (1st Floor)

137 2 65788%
138 1 32894%
139 2 65788%
140 2 65788%
141 1 32894%
142 2 65788%

Building No 8 (1st Floor)

143 2 65788%
144 1 32894%
145 2 65788%
146 2 65788%
147 1 32894%
148 2 65788%

Building No 9 (1st Floor)

149 2 65788%
150 1 32894%
151 2 65788%
152 2 65788%
153 1 32894%
154 2 65788%

Building No 10 (1st Floor)

155 2 65788%
156 1 32894 %
157 2 65788%
158 2 65788%
159 1 32894%
160 2 65788%

Building No 11 (1st Floor)

161 2 65788%
162 1 32894%
163 1 32894%
164 2 65788%

Building No 12 (1st Floor)

165 2 65788%
166 1 32894%
167 1 32894%
168 2 65788%

Building No 13 (1st Floor)

169 2 65788%
170 1 32894%
171 1 32894%
172 2 65788%

Building No 14 (1st Floor)

173 2 65788%
174 1 32894%

234 2 65788%
235 2 65788%
236 2 65788%

Building No 7 (2nd Floor)

237 2 65788%
238 2 65788%
239 2 65788%
240 2 65788%
241 2 65788%
242 2 65788%

Building No 8 (2nd Floor)

243 2 65788%
244 2 65788%
245 2 65788%
246 2 65788%
247 2 65788%
248 2 65788%

Building No 9 (2nd Floor)

249 2 65788%
250 2 65788%
251 2 65788%
252 2 65788%
253 2 65788%
254 2 65788%

Building No 10 (2nd Floor)

255 2 65788%
256 2 65788%
257 2 65788%
258 2 65788%
259 2 65788%
260 2 65788%

Building No 11 (2nd Floor)

261 2 65788%
262 2 65788%
263 2 65788%
264 2 65788%

Building No 12 (2nd Floor)

265 2 65788%
266 2 65788%
267 2 65788%
268 2 65788%

Building No 13 (2nd Floor)

269 2 65788%
270 2 65788%
271 2 65788%
272 2 65788%

Building No 14 (2nd Floor)

273 2 65788%
274 2 65788%

175	2	65788%
176	2	65788%
177	1	32894%
178	2	65788%

Building No 15 (1st Floor)

179	2	65788%
180	1	32894%
181	2	65788%
182	2	65788%
183	1	32894%
184	2	65788%

Building No 16 (1st Floor)

185	2	65788%
186	1	32894%
187	2	65788%
188	2	65788%
189	1	32894%
190	2	65788%

275	2	65788%
276	2	65788%
277	2	65788%
278	2	65788%

Building No 15 (2nd Floor)

279	2	65788%
280	2	65788%
281	2	65788%
282	2	65788%
283	2	65788%
284	2	65788%

Building No 16 (2nd Floor)

285	2	65788%
286	2	65788%
287	2	65788%
288	2	65788%
289	2	65788%
290	2	65788%

TITLE AT THE TIME OF REVISED DECLARATION

*[These are instruments which exist at the time of recording this Revised Declaration
and which will continue to affect the title of each Unit after the Unit is sold to an individual purchaser]*

- 1 The Restrictive covenants, utility easements, drainage easements, building set back lines, and encumbrances shown on the subdivision plat(s) recorded in Volume 84, Pages 165D-166A and Volume 86, Pages 3B-3C of the Plat Records of Travis County Texas,
- 2 The electric and telephone lines and systems easement granted to the City of Austin, by instrument dated February 18, 1958, recorded in Volume 2128, Page 232 of the Deed Records of Travis County, Texas, to the extent same may affect subject property
- 3 The electric and telephone lines and systems easement granted to the City of Austin, by instrument dated January 19, 1968, recorded in Volume 3489, Page 725 of the Deed Records of Travis County, Texas, to the extent same may affect subject property
- 4 The electric and telephone lines and systems easement granted to the City of Austin, by instrument dated March 12, 1985, recorded in Volume 9065, Page 879 of the Real Property Records of Travis County, Texas
- 5 The electric and telephone lines and systems easement granted to the City of Austin, by instrument dated March 31, 1986, recorded in Volume 9660, Page 521, of the Real Property Records of Travis County, Texas
- 6 The electric and telephone lines and systems easement granted to the City of Austin, by instrument dated August 27, 1986, recorded in Volume 9866, Page 652 of the Real Property Records of Travis County, Texas
- 7 The Cable Television Installation Agreement dated June 5, 1985, recorded in Volume 9324, Page 988 of the Real Property Records of Travis County, Texas
- 8 The Easement and Memorandum of Agreement for the Cable and Telecommunication Services dated May 13, 1997, recorded in Volume 12944, Page 391 of the Real Property Records of Travis County, Texas
- 9 The 15 foot sanitary sewer easement granted to the City of Austin, by instrument dated May 24, 1985, recorded in Volume 9251, Page 383 of the Real Property Records of Travis County, Texas
- 10 The Right of Way Easement and Agreement, including an obligation to share equally in the cost to repair and maintain the roadway on the Easement dated April 15, 1985, and entered into between Clifton Lind, Trustee and Stillhouse, Ltd, recorded in Volume 10121, Page 783 of the Real Property Records of Travis County, Texas
- 11 The Emergency Vehicle Access Easement dated effective April 15, 1985, recorded in Volume 9128, Page 859 and corrected in Volume 10121, Page 783 of the Real Property Records of Travis County, Texas

EXHIBIT E

FILED
In the Office of the
Secretary of State of Texas

FEB 22 2001

ARTICLES OF INCORPORATION OF
STILLHOUSE CANYON CONDOMINIUM HOMEOWNERS ASSOCIATION, INC. Corporations Section

ARTICLE ONE. NAME

The name of the corporation is "Stillhouse Canyon Condominium Homeowners Association, Inc."

ARTICLE TWO. NON-PROFIT

The corporation is a non-profit corporation.

ARTICLE THREE: DURATION

The period of its duration is perpetual.

ARTICLE FOUR. PURPOSES

The purposes for which the Association is organized are to represent the interests of members of the Stillhouse Canyon Condominium Homeowners Association, Inc

ARTICLE FIVE: MEMBERSHIP

The corporation shall be a membership corporation. The qualifications for membership and rights, duties and obligations of members shall be contained in the bylaws of the corporation.

ARTICLE SIX: REGISTERED AGENT AND OFFICE

The name of its initial registered agent is CT Corporation, and the street address of the initial registered office of the corporation is 701 Brazos Street, Austin, Texas 78701

ARTICLE SEVEN: BOARD OF DIRECTORS

The business and affairs of the corporation shall be managed by a Board of Directors in which shall reside all rights, powers, authority and responsibility with respect to the management and affairs of the corporation. The initial Board shall consist of

- (1) Peter Wells, whose address is 277 Garfield Street, Denver, Colorado 80206
- (2) Fredda Anderson, whose address is 8810 Honeysuckle Trail, Austin, Texas, 78759, and
- (3) Sandy Ingram, whose address is 4711 Spicewood Springs Rd , #10, Austin, Texas 78759

The Board of Directors of the corporation shall, after the corporate charter has been issued, be elected pursuant to the Bylaws of the corporation at the first meeting of the general membership

ARTICLE EIGHT. INDEMNIFICATION

The corporation shall indemnify any director or officer or former director or officer of the corporation for expenses and cost (including attorney's fees) actually and necessarily incurred by him in connection with any claim asserted against the director or officer, by action in court or otherwise, by reason of being or having been the director or officer, except in relation to matters as to which the officer or director is guilty of gross negligence or willful misconduct in respect of the matter in which indemnity is sought

ARTICLE NINE: LIMITED LIABILITY

The members of the Board of Directors, the officers of the corporation, and committee members of the Association shall not be liable to any member or any person claiming by or through any member for any act or omission of the director or officer in the performance of his duties unless the director's or officer's act or omission is (1) a breach of a duty of loyalty to the corporation or its members, (2) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of law, (3) a transaction from which a director or officer receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of the person's office, or (4) an act or omission for which the liability of the director is expressly provided for by a statute. The corporation shall indemnify all such directors and officers from all claims, demands, actions and proceedings and any expenses in connection therewith except if the director or officer has acted in violation of the foregoing. The Board of Directors may purchase (but is not requested to purchase) directors and officers liability insurance.

ARTICLE TEN: IRS EXEMPTION

The business and affairs of this corporation shall always be conducted so that the corporation does not exercise any power or engage directly or indirectly in any activity that would invalidate its status as a corporation which is exempt from federal income taxation under §501 (c) (4) of the Internal Revenue Code of 1986, as amended.

ARTICLE ELEVEN: DISSOLUTION

In the event of dissolution of the corporation, the assets of the corporation shall belong to the members of the corporation at the time of dissolution, prorata according to the respective members' percentage ownership of common area of the Stillhouse Canyon Condominium Community.

ARTICLE TWELVE: INCORPORATOR

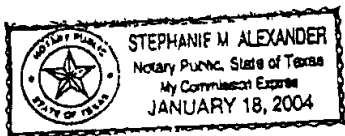
The Incorporator for the corporation is Larry Niemann, whose address is 1122 Colorado Street, Suite 313, Austin, Texas 78701.

Dated February 21, 2001

Larry Niemann
Larry Niemann/Incorporator

STATE OF TEXAS
COUNTY OF TRAVIS

On this the 21st day of February, 2001, before me the undersigned authority appeared Larry Niemann, who after being duly sworn, states that the foregoing information is true and correct.



Stephanie M. Alexander
Notary Public for the State of Texas

BYLAWS OF
STILLHOUSE CANYON CONDOMINIUM HOMEOWNERS ASSOCIATION, INC

Article I NAME AND LOCATION

1.01 *Name* The name of the Association is "Stillhouse Canyon Condominium Homeowners Association, Inc", hereinafter referred to as the "Association"

Article II DEFINITIONS

2.01 *Definitions* The definitions of all terms herein shall be the same as those in the Declaration of Covenants, Conditions and Restrictions for the Stillhouse Canyon Condominiums, in Travis County, Texas

Article III MEETING OF MEMBERS

3.01 *Annual Meetings* The annual meeting of the members shall be held each year in January or February at a place designated by the Board

3.02 *Special Meetings* Special meetings of the members may be called at any time by the president or by the Board of Directors, upon written request of three or more members, or upon one member's request where a change in the exterior of a building or condominium unit is requested by anyone. The place of the meeting shall be as stated in the notice

3.03 *Notice of Meetings* Written notice of each meeting of the members shall be given by, or at the discretion of the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 14 days before such meeting to each member entitled to vote, addressed to the member's address last appearing on the books of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. Such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as set out above. Upon request, notice of such meeting shall also be mailed to first mortgagees

3.04 *Quorum* Except for a meeting to raise or impose assessments on all condominium unit owners, the presence at the meeting of members entitled to cast, or of proxies entitled to cast, one fourth of the condominium unit owners' votes shall constitute a quorum for any action except as otherwise provided by the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members present shall have power to recess the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. Quorum for assessment meetings shall be pursuant to provision of the Declaration

3.05 *Proxies* At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his condominium unit

3.06 *Voting* Secret ballots shall be utilized upon the request of any member

Article IV BOARD OF DIRECTORS

4.01 *Number* The affairs of this Association shall be managed by a Board of five directors, who need not be members of the Association and who are elected annually. The number may be increased from five to seven directors or decreased from seven to five directors upon a majority vote of the Association membership

4.02 *Term of office* The members shall elect all directors for a term of approximately one year, beginning from the date of their election to the date of the election of their successor at the next annual meeting

4.03 *Removal, resignations* Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his

successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor

4 04 *Compensation* No director shall receive compensation for any service he may render to the Association in his capacity as a director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

4 05 *Action Taken Without a Meeting* The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

4 06 *Voting* Secret ballots shall be utilized upon request of any Board member.

4 07 *Limited liability and indemnification* The directors shall be entitled to the limited liability and indemnification provisions contained in the Declaration.

Article V ELECTION OF DIRECTORS

5 01 *Nomination* Nomination for election to the Board of Directors may be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. If appointed, the Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee may be appointed by the Board of Directors prior to each annual meeting of the members, and if appointed, such appointment shall be announced to the membership at least 30 days prior to the annual meeting. The Nominating Committee may make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Members or non-members of the Association may be nominated for the Board of Directors.

5 02 *Election* Election to the Board of Directors shall be by secret written ballot if requested by any member. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Article VI MEETINGS OF DIRECTORS

6 01 *Regular Meetings* Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by the Board. Any member desiring to attend monthly meetings shall contact the President or the Association's management company who shall in return notify such member of the time and place of the next monthly meeting.

6 02 *Special Meetings* Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three days notice to each director.

6 03 *Quorum* A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

6 04 *In person or by telephone* Meetings of the Board may be in person or by telephone.

Article VII POWERS AND DUTIES OF THE BOARD

7 01 *Powers* The Board of Directors shall have power to exercise for the Association all powers, duties and authority vested in or delegated to this Association, and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration.

7 02 *Duties* It shall be the duty of the Board

(a) to cause to be kept a complete record of all its acts and corporate affairs and to present a report thereof to the members at the annual meeting of the members, or at any special meeting when such report is requested in writing by one-fourth of the members,

(b) to supervise all officers, agents and employees of this Association, and to see that their duties are properly performed,

(c) to (1) fix the amount of the regular assessment for each condominium unit pursuant to the procedure in the Declaration, (2) send written notice of assessments to every Owner, and (3) collect assessments and enforce assessments, all pursuant to procedures and limitations as set forth in the Declaration,

(d) to issue resale certificates, loan eligibility certificates, and verification certificates setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates and other written documents provided by the Association. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment,

(e) to procure and maintain adequate liability and hazard insurance on common area facilities and on property owned by the Association, cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate or necessary,

(f) to cause the common area and common elements to be maintained, and

(g) to carry out all other duties of the Association or Board under the Declaration

Article VIII OFFICERS AND THEIR DUTIES

8 01 *Enumeration of Offices* The Officers of this Association shall be a president and a vice president, who shall at all times be members of the Board of Directors, a secretary and a treasurer

8 02 *Election of Officers* The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members. The initial election of officers shall take place at this organizational meeting of the directors

8 03 *Term* Each officer of this Association shall be elected annually by the Board and each shall hold office for approximately one year until the election of his successor, unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve

8 04 *Special Appointments* The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine

8 05 *Resignation and Removal* Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, the acceptance of such resignation shall not be necessary to make it effective

8 06 *Vacancies* A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces

8 07 *Multiple Offices* The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 8 04 of this Article

8 08 *Duties* The duties of the officers are as follows

(a) *President* The president shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds and other legal instruments

(b) *Vice-President* The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board

(c) *Secretary* The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members, as well as other records of the Association, serve notice of meetings of the Board and of the members, keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board. These duties, with approval of the Board, may be delegated to the Association management company

(d) **Treasurer** The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors, shall sign all checks and promissory notes of the Association, keep proper books of account, cause an annual audit of the Association books to be made by a public accountant or CPA at the completion of each fiscal year, and shall prepare an annual budget for the forthcoming year and a statement of income and expenditures for the previous year, to be presented to the membership at its regular annual meeting. The Treasurer shall also be responsible for supervising billings. These duties, with approval of the Board, may be delegated to the Association management company. All checks must be co-signed by (1) at least two officers of the Association, or (2) one officer of the Association and an authorized representative of the Association management company.

Article IX COMMITTEES

The Association shall appoint any committees required by the Declaration or these Bylaws. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out the purposes of the Association.

Article X BOOKS AND RECORDS

The books, records and papers of the Association shall at all times be subject to inspection by any member during reasonable business hours. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

Article XI ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association regular and special assessments which are secured to the full extent provided by law, by a continuing lien upon the property against which the assessment is made. The collection and enforcement procedures shall be as set forth in the Declaration.

Article XII CORPORATE SEAL


The issuance of a corporate seal shall be unnecessary and is not required under Texas law.

Article XIII AMENDMENTS

These Bylaws may be amended, at a regular or special meeting of the members, by a vote of 67% of the votes which members present in person or by proxy are entitled to cast. Thirty days advance written notice to members is required for Bylaws changes. Changes in the Declaration shall be pursuant to the procedures set forth therein.

Article XIV MISCELLANEOUS

The fiscal year of the Association shall be the calendar year.



President, Stillhouse Canyon
Condominium Homeowners Association, Inc

6/15/01

Date of Adoption

MANAGEMENT CERTIFICATE
(check as appropriate)

Commencement, Change, or Termination
for Condominium Project, Townhome Project, or Residential Subdivision

The undersigned Manager or management company gives notice that (check one)

- it has commenced management of the Association named below, or
- it is continuing management of the Association but is refiling this management certificate because information in an earlier certificate needs updating, or
- it is no longer managing the Association

1 Exact name of owners association _____

2 Name of project or subdivision _____

3 Address of project _____
street address of project (if condominium or townhome project)
_____ city state zip

4 Exact name of declaration of covenants, conditions and restrictions _____

5 Declaration recording data _____
Records, _____ County, Texas

6 Name of managing agent _____
(name of management company (or name of individual if not a management company))

7 Mailing address of managing agent _____
street address or P O Box address
_____ city state zip

8 Person to contact in management company _____ (ask for person in charge of the association named above)

9 Managing agent's telephone (_____) _____ Fax (_____) _____

This certificate is filed of record in the county where the above-described project is located. It shall be valid until a management certificate is filed by another management company for the Association or until a termination of this management certificate is filed of record, whichever is sooner.

Name of management company
By _____
Signature

Printed name and title of above person

STATE OF TEXAS
COUNTY OF TRAVIS

This instrument was acknowledged before me on _____, 20____
by _____ in the above stated capacity

Notary Public for the State of Texas

*After recording, please return to managing agent at the
address stated in sections 6 and 7 above*

CONSENT OF SENIOR MORTGAGEE

The undersigned financial institution, being the owner and holder of existing mortgage liens upon units specified below in the Stillhouse Canyon Condominium Project as described in the foregoing Declaration, as such mortgagee and lienholder further described in the deeds of trust listed below, consents to the Declaration and to the recording of the same. The deeds of trust referred to above are:

1 Construction Deed of Trust with Absolute Assignment of Lease and Rents, Security Agreement and Fixture Filing, dated April 24, 2001, executed by PAW IV Development, LLC for the benefit of Wells Fargo Bank, National Association, recorded as Document No. 2001066950, Official Records of Travis County, Texas, covering Units 113 through 164 and Units 213 through 264.

2 Construction Deed of Trust with Absolute Assignment of Lease and Rents, Security Agreement and Fixture Filing, dated April 24, 2001, executed for the benefit of Wells Fargo Bank, National Association, recorded as Document No. 2001066951, Official Records of Travis County, Texas, covering Units 101 through 112 and Units 201 through 212 and Units 165 through 190 and Units 265 through 290.

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

Lienholder

WELLS FARGO BANK, NATIONAL ASSOCIATION

By Marta Kontak

Title VICE PRESIDENT

STATE OF Colorado
COUNTY OF DENVER

This instrument was acknowledged before me on June 14, 2001
by MARTIA KONTRAK as
Vice President of Wells Fargo Bank, National Association, a national
banking association, on behalf of said association.



S. Dickinson
Notary Public for the State of Colorado
Printed name of notary Susan L. Dickinson
My commission expires _____

My Commission Expires July 11, 2004

CONSENT OF MEZZANINE MORTGAGEE

The undersigned financial institution, being the owner and holder of existing mortgage liens upon units specified below in the Stillhouse Canyon Condominium Project as described in the foregoing Declaration, as such mortgagee and lienholder further described in the deeds of trust listed below, consents to the Declaration and to the recording of the same. The deeds of trust referred to above are:

1 Deed of Trust with Absolute Assignment of Lease and Rents, Security Agreement and Fixture Filing, dated April 24, 2001, executed by PAW IV Development, LLC for the benefit of Wells Fargo Bank, National Association, recorded as Document No. 2001066952, Official Records of Travis County, Texas, covering Units 113 through 164 and Units 213 through 264.

2 Deed of Trust with Absolute Assignment of Lease and Rents, Security Agreement and Fixture Filing, dated April 24, 2001, for the benefit of Wells Fargo Bank, National Association, recorded as Document No. 2001066953, Official Records of Travis County, Texas, covering Units 101 through 112 and Units 201 through 212 and Units 165 through 190 and Units 265 through 290.

Lienholder

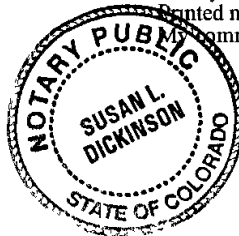
WELLS FARGO BANK, NATIONAL ASSOCIATION

By *James E. Dady*
Title *Vice President*

STATE OF Colorado
COUNTY OF Denver

This instrument was acknowledged before me on JUNE 14th, 2001
by *James E. Dady* as Vice President of Wells Fargo Bank, National Association, a national banking association, on behalf of said association.

Susan L. Dickinson
Notary Public for the State of Colorado
Printed name of notary Susan L. Dickinson
Commission expires _____



My Commission Expires July 11, 2004

COMMUNITY POLICIES FOR
STILLHOUSE CANYON CONDOMINIUMS
(applicable to all owners, occupants, and guests)

Table of Contents

Policies in General	50
Communications	50
Enforcement	50
POLICIES APPLICABLE TO ALL OWNERS, OCCUPANTS, AND GUESTS	50
1 Security, safety, and lighting	50
2 Storage of property on private patios or balconies	50
3 Storage of property in common areas	51
4 Property inside units	51
5 No clothes drying outside units	51
6 Entry areas and sidewalks	51
7 Trash	51
8 Pets	51
9 Window coverings	51
10 Signs	51
11 Noise	52
12 Pool rules	52
13 Mailboxes	52
14 Nuisances	52
15 Children	52
16 Antennas	52
17 Water leaks	53
18 Vehicle repair	53
19 Parking	53
20 Anti-theft alarms	53
21 Towing illegally parked vehicles	53
22 Pest control	54
23 Criminal activity	54
24 Utilities and leaks	54
25 Utility cutoff for delinquencies	54
26 Eviction of tenants	54
27 Common area modifications	54
28 Common area repairs	54
29 Unit interior repairs by management company	54
30 Smoke detectors	54
POLICIES APPLICABLE PRIMARILY TO OWNERS	55
31 Leasing and Condominium lease forms	55
32 Leasing of units by management company	55
33 Fines	55
34 Late charges	55
35 Hot checks	55
36 Board access to units	55
37 Delinquencies	55
38 Fees for special services	56
39 Change of address	56
40 Names and addresses of tenants	56
41 Name and address of new owners	56
42 Security device requirements if you rent your unit	56
43 Interior water leaks	56
44 Declaration provisions	56
45 Nonliability and release of the association, officers, and directors	56

COMMUNITY POLICIES FOR
STILLHOUSE CANYON CONDOMINIUMS
(applicable to all owners, occupants, and guests)

POLICIES IN GENERAL Our Homeowners Association has adopted the following rules to help maximize enjoyment, maintain values, and assure the continued aesthetic beauty of our community. The rules apply to all owners and their families, tenants, and guests. The rules are automatically a part of each lease (even if they are not attached), and each owner is responsible for making sure his tenants have a copy of the rules and follow them. You are encouraged to ask your neighbors to follow the rules.

COMMUNICATIONS Please direct any repair requests, complaints, or rule violations to

_____ (name of the person who is management company representative)

_____ (name of management company)

_____ (mailing address of management company)

_____ (telephone number of management company)

_____ (fax number of management company)

This avoids delay and telephone tag problems. You are encouraged to put your suggestions or complaints in the "Requests and Suggestions" box by the mailboxes.

ENFORCEMENT The rules will be strictly enforced. If the rules are violated by any occupant or guest of the owner's unit, the owner will be responsible for corrective action, damages, and fines.

[Note to new owners: The following policies are partly from the Declaration and partly adopted by action of the Board of Directors. All Declaration provisions apply -- even if not set forth below. Except for provisions of these policies that come from the Declaration, the policies may be changed or added to by the Board.]

Policies Applicable to All Owners, Occupants, and Guests

1 Security, safety, and lighting Neither the Association nor the Association's management company provides or warrants security. Each occupant is responsible for the security of himself and his family and guests. Each Unit has (1) keyless deadbolts on all entry doors, (2) keyed deadbolts on all entry doors, (3) pinlocks on all sliding glass doors, and (4) doorviewers on all exterior door. Consult management regarding your statutory security device obligations as a landlord if you ever rent your unit. These locks provide added protection for occupants while inside the unit.

Occupants are requested to report common arealighting problems or hazardous conditions immediately to the Association's management company representative. The Association cannot and does not check exterior lighting on a daily basis. The Association generally must rely on unit owners and residents to notify the Association's managing agent when lights are burned out or insufficient in some manner. Clever criminals can defeat almost any kind of crime deterrent. Unit occupants must assume that electronic or mechanical devices may malfunction from time to time.

2 Storage of property on private patios or balconies The only items which may be stored temporarily or permanently on private patios or balconies which can be viewed from common areas are the following: pool-side lounges and lawn chairs, exterior tables, live plants in hanging baskets or pots, one enclosed trash receptacle with lid, and one barbecue grill (which may not be used on the patio). Nothing may be hung on the railings. Items stored on the patios must not appear to be in disrepair.

All other property must be kept inside the unit (or inside exterior closets or storage rooms), including towels, bathing suits, mops, brooms, barbecue briquettes, fuel, wood, tools, carpeting, boxes, plastic bags, beverages, furniture, automobile equipment, etc. All property stored in violation of this rule may be removed and disposed without prior notice by any board member or management company representative.

3 Storage of property in common areas No property may be stored temporarily or permanently on sidewalks, balcony walkways, stair landings, parking lots, or other common areas. Garage sales and estate sales are not allowed. Management company employees and service personnel, Board members and persons designated by them may remove and throw away any property stored in violation of this rule.

4 *Property inside units* The Association has the right and the responsibility to control the visual attractiveness of the property, including the right to require removal of objects which are visible from the common area and which detract from the property's appearance. Blinds and drapes must be in good repair, hung properly, and comply with Rule 9 regarding color and materials. Storage of boxes and personal property in carports is prohibited.

5 *No clothes drying outside units* No clothes, towels or other items may be hung anywhere outside, i.e., on patios, patio railings, walkway balconies, balcony railings. Clothes or other items must be dried inside the units or in the laundry room dryers. Items being dried outside in violation of this rule may be removed and disposed of without prior notice by any Board member or management representative.

6 *Entry areas and sidewalks* Entry areas, walkways, steps and landings shall be kept clean and neat by the owners using them. Only doormats and plants can be placed in these areas. Feeding bowls for pets may not be left outside since they attract stray animals and compound the "clean-up" problems. Owners must keep the concrete floor of their patios free of paint, stains, pet droppings, and debris. A unit owner will be charged if, after notice, the owner fails to clean his patio or remove improperly stored property and the Association does it for him.

7 *Trash* Garbage, rubbish or cuttings shall not be left or deposited, even temporarily, on any common areas or patios. All of such refuse must be placed in the dumpster in the parking lot.

8 *Pets* Dogs, cats, fish, birds and other animals may be kept in Units only with the permission of the Board and only in compliance with Association rules. Except for birds and fish, no more than two animals may be kept in a Unit. Animals are not allowed in or near the pool area and may not exceed 40 pounds in weight, except for guide animals for disabled persons. Animals may not make excessive noise (in the sole judgment of the Board). Animals may not be bred for commercial purposes. Animals except cats must be kept on a leash when outside a unit. Leashes may not be tied to objects and must be held by a person who can control the animal at all times. Animals may not be left alone outside a Unit. Owners of a Unit where an animal is housed has the responsibility to immediately clean up after such animals have defecated in Common Areas or in outside balconies, patios, or enclosed courtyards. If an animal or Unit Owner is in violation of these restrictions, the Declarant or Board may remove the animal from the Project and place the animal with the local humane society.

Dogs may not urinate or defecate anywhere on the condominium project except inside the owner's unit. Used cat litter must be disposed of only in the trash dumpsters. It may not be dumped in flower beds because the ammonia will kill the vegetation. Owners must keep their units in a sanitary condition and free from fleas, pet parasites and noxious odors. Condominium unit owners shall be liable for damage caused to common elements by pets of the owner or the owner's tenants or guests. The condominium owner and the owner's tenants and guests shall be responsible for immediate removal of pet defecation from common areas if "accidents" occur while walking the dog. Pet feeding bowls may not be left outside. The Board of Directors may require permanent removal of any pet when the pet or its owner has repeatedly violated these rules or the pet has become objectionable in the opinion of the Board.

9 *Window coverings* All exterior windows shall be covered by white, ivory or tan blinds or drapes. No foil or other material objectionable in the reasonable judgment of the Board of Directors shall be placed in or next to any window or sliding glass door. Burglar bars may not be installed.

10 *Signs* "For sale" or "for rent" signs and all other signs are prohibited and may not be exhibited anywhere in the project, including from the interiors of the units. Board members and management company representatives may enter, without prior notice, and remove and throw away such signs. The policy regarding signs is subject to exceptions for the Declarant (developer) under the Declaration.

11 *Noise* Condominium unit owners and occupants shall refrain from playing radios, televisions, stereos, and other electrical or mechanical devices so loud that they may be heard outside their condominium unit. Doors and windows must be shut when playing televisions, stereos and similar sound equipment at sound levels objected to by any unit owner, tenant, or management representative. Yelling or loud talking outside is prohibited.

12 *Pool rules* Parents and persons caring for children shall take extra care to make sure that their small children do not enter the pool area without an adult who can swim. Swimming pool rules are posted by the pool and are summarized below.

- No lifeguard is on duty. Persons swim at their own risk.
- No child under 12 may use pool unless accompanied by a person over 18.
- No pets or glass containers are permitted in the pool area.
- No diving, running, loud noises, or loud music are permitted.
- No guest is allowed unless accompanied by the owner or tenant of a unit.
- No more than four persons from a unit are permitted in the pool area at any one time.

No private pool parties are allowed All residents may use the pool anytime
No walkways around the pool may be obstructed by anyone
No swimming is allowed after 11 00 p m on weeknights or 12 00 p m on Friday and Saturday nights

13 *Mailboxes* The Board of Directors has the exclusive right to designate the type, size and location, and signage on mailboxes Names on the outside of mailboxes are not allowed and may be removed by management without prior notice because publicly identifying names with a particular unit increases the risk of crime for occupants of the unit

14 *Nuisances* No unsafe, noxious, offensive, or illegal activity, or odor is permitted on the Project No activity shall be conducted on the property which in the judgment of the Board of Directors might reasonably be considered as annoying to neighbors of ordinary sensibilities, or might be reasonably calculated to reduce the desirability of the property for quality of living No exterior loudspeakers or flashing lights shall be allowed No person may do anything that will increase insurance rates for the Project without the prior written consent of the Board or which may cause such improvements to be uninsurable or which may cause any policy to be canceled, or suspended or materially modified by the issuing company

15 *Children* Each owner is responsible for the conduct of children who are tenants or guests in his unit There is no lifeguard, and all children who are under 12 years of age or who cannot swim, must always be in the company of an adult when near the swimming pool Sign(s) to that effect have been posted near the pool Children under the age of 10 years may not be left in the unit without an adult No children's toys may be left outside

- 16 *Antennas and satellite dishes* The following antennas and satellite dishes are not permitted
- (1) antennas or dishes that only transmit signals,
 - (2) antennas or dishes that interfere with reception of video signals by other units,
 - (3) antennas or dishes located in common areas, common elements or unit entry areas, and
 - (4) dishes greater than one meter in diameter

Unless prohibited above, an antenna or satellite dish may be installed only (1) inside a living area of a unit, or (2) outside on a patio, balcony or a yard area within the exclusive use or control of the owner Such installation is allowed only if the plans and specifications for location, color, attachment, safety and screening are approved in writing by the Architectural Control Committee for compliance with the following standards

The antenna or satellite dish must

- 1 be properly bolted and secured to the concrete or wood deck, patio or balcony which is either part of the unit or a limited common element to which the unit owner has exclusive use,
- 2 be screened by a fence, wall, landscaping or potted plants to the greatest extent reasonably possible, in order to prevent the antenna or dish from being seen from any street, common area or other unit, and
- 3 be located, within reason, in the least visible place on the least visible balcony, deck or patio of the unit

The Association is not responsible for the maintenance or repair of any satellite dish or antenna—even if it is attached to a limited common element The unit owner is liable for all damages to Association property, personal property, animals and persons caused by the owner's installation of an antenna or dish The unit owner is responsible for restoring any limited common element to its pre-antenna/dish installation status upon removal of the antenna or dish

These location, installation and screening requirements are based on aesthetics, non-interference with reception by neighbors, preservation of property values and safety, including avoidance of injury or property damage from improperly installed or otherwise dangerous antennas or dishes

17 *Water leaks and infiltration* An owner shall be strictly liable, regardless of fault, for any damages anywhere by water leaks from the owner's dishwashers, bathtubs, showers, commodes, sinks, aquariums, waterbeds, and water furniture Owners and tenants shall immediately report to the Association management any visible wall, ceiling, window, or door leaks and any other water infiltration or significant water spills or overflows since quick action may be needed by the Unit owner or the Association (whoever has the responsibility under this Declaration) to prevent mold, mildew, and structural damage to common elements or Units

18 *Vehicle repair* Except in an emergency when a vehicle is inoperable, no vehicle may be worked on anywhere on the Property Otherwise, vehicles must be serviced or repaired off the property Vehicles which have expired license plates, expired inspection stickers, flat tires or which are obviously inoperable due to missing parts are prohibited and be removed from the property at the owner's expense Such vehicles must be removed from the property immediately upon notice from any Board member or management representative

19 *Parking* Each Unit has its own assigned parking space(s) Owners and occupants may not park elsewhere in the Property Unassigned parking spaces are for guests only and may not be used by regular occupants of a Unit All parking shall conform to the following

(a) Parking of vehicles, motorcycles and bicycles in grass areas, dirt areas, flower beds or sidewalks is prohibited Owners and occupants shall park vehicles in their respective assigned parking space(s) whenever possible No Unit Owner or occupant shall park, store, operate or keep within or adjoining the Project any vehicle, motorcycle, motorbike, motorscooter, or other similar vehicle unless same is kept solely within the assigned parking space(s) of such Owner's Unit and such vehicle physically will be fully within the size of the parking space Commercial-type vehicles, trucks (except pickup trucks), camper units, motor homes, trailers, boats, mobile home, and golf carts may not be parked on the Property No Unit Owner or occupant shall park, store, operate or keep within or adjoining the Project any vehicle over 18 feet long Bicycles and similar items may not be parked or stored outside a unit except that they may be parked or stored on the back balcony or back patio of a unit Washing of vehicles is not allowed anywhere on the Project

(b) No vehicles may be parked or unattended in such a manner as to block the passage of other vehicles on the streets or in driveways to units No vehicle may be parked immediately outside of a garage No vehicle shall be left parked and unattended, in the street, along the curb, or in driveway areas in such a manner as to prevent the ingress and/or egress of emergency vehicles (i.e., fire, EMS) or service vehicles (i.e., refuse trucks) No inoperable vehicle may be stored on the Project

(c) Motorcycles and similar motorized vehicles must be parked in the unit's parking space Bicycles must be parked or stored inside a unit or on a unit balcony or back patio of a unit Exterior parking may not be assigned except to accommodate disabled persons

(d) If someone is physically disabled, the Board will accommodate special requests for wheelchair parking if possible Handicap parking signs must be honored

20 *Anti-theft alarms* Owners and occupant who have vehicles with anti-theft systems shall not allow the alarms or horns to go off and disturb other persons in the Project for more than three minutes, and any vehicle violating the three-minute rule shall be deemed to be illegally parked and subject to immediate towing, without prior notice to the vehicle owner or operator, by the Association under the Texas towing statutes The Association may, without liability to the owner or operator of the vehicle, cut or disconnect any power source to such alarm or horn to avoid having to tow the vehicle

21 *Towing illegally parked vehicles* Vehicles parked in violation of these rules may be removed and stored without permission of the vehicle's owner or operator Notice and removal shall be in accordance with Chapter 684, Texas Transportation Code A unit owner is liable for all costs of towing illegally parked vehicles of the unit owner, his family, guests or tenants

22 *Pest control* The Association does not have responsibilities for pest control inside units However, the Association shall have the right to enter and exterminate an owner's unit, at the owner's expense, if the owner's failure to control pests inside his unit is adversely affecting other units

23 *Criminal activity* While on the condominium project, no person may violate any criminal laws, health codes or other applicable laws No tampering with water, lighting, sprinklers, pool equipment or other common elements or laundry room equipment is allowed

24 *Utilities and leaks* Each owner shall be responsible for promptly fixing leaks in all plumbing lines, plumbing fixtures, lavatories, sinks, tubs, and shower stalls inside his unit A unit owner will be responsible for paying for damages and repairs necessitated by water leaks from his unit to adjacent units If the Association deems it necessary to repair any of these items inside an owner's unit, the owner shall reimburse the Association for the cost of repair, plus 33% for administrative overhead

25 *Utility cutoff for delinquencies* The Board of Directors may suspend water service to the owner's unit if (1) the owner is more than 45 days delinquent on any sums due the Association, (2) notice of the Association's intent to cut off the water is mailed to the unit owner at such owner's last known address, certified mail, return receipt requested, and (3) the owner has 30 days to appeal to the Board for a hearing on the Board's decision to terminate utilities Association representatives will then try to contact the owner by phone to warn him of utility termination of water service The Board will consider a unit owner's written statement of extenuating circumstances of why water service should not be disconnected, or why water service should be reconnected Entry into the interior of such unit for such purpose is not authorized The Association may charge the unit owner a disconnect fee of \$50 and a reconnect fee of \$100 The Association shall have the right to inform all tenants of the existence of this rule and

send notices to unit owners and their tenants of the Board's intent to enforce the rule. The Board may also notify the unit owners and their tenants when the water has in fact been cut off.

26 *Eviction of tenants* Under the declaration, the Association has the right to evict an owner's tenant who substantially or repeatedly violates the Association's rules and regulations.

27 *Common area modifications* No Owner may construct, alter, modify, landscape, trim, or otherwise perform any work whatever upon any of the Common Elements, Limited or General, without the prior written approval of the plans therefor by the Board of Directors. No exterior awning, shades, railings, or additional lighting may be installed.

28 *Common area repairs* If the common area is in need of repair or maintenance, you are requested to contact the Association's management company immediately and leave a message about what needs to be fixed. This is especially important if exterior lighting or the automatic closing and latching devices on the pool gates are malfunctioning.

29 *Unit interior repairs by management company* The Association's management company will respond to tenant requests for repairs only in case of an emergency. Tenants must contact the owner for repairs and installations. Upon request, the Association's management company will provide owners with the names and phone numbers of suggested workers for repairs and installations. Also, upon request by unit owners who are not delinquent in any sums due the Association, the Association's management company will arrange for repairs up to \$250 to the interior of a unit, do inspections, follow through, pay for repairs with Association funds, and handle the billings for a fee of 33% of the total of the repair costs. The repairs will be billed by the Association to the owner on the next billing cycle. Owners must look solely to the workmen or contractors performing the repair for warranties or guarantees. The Association assumes no responsibility for such work.

30 *Smoke detectors* Each owner is required to have and maintain battery or A/C electric smoke detector(s) in his unit in accordance with state law. The occupants must keep any batteries in working condition at all times.

Policies Applicable Primarily to Owners

31 *Leasing and Condominium Lease forms* The Board recommends that all unit owners use the latest Texas Apartment Association Condominium Lease forms when leasing their units. Upon request, the Association will furnish, at no cost, to all unit owners (1) the TAA Rental Application, (2) the TAA Condominium Lease, (3) the TAA Inventory and Condition form, and (4) the TAA Pet Agreement. Unit owners may legally use these lease forms since the management company managing the Association is a member of TAA. The Declaration requires owners to keep the management company informed of the names of all tenants and other occupants of leased units. Each owner is liable for all damages caused by the owner, his family and guests, and by the owner's tenants, and their family or guests. A copy of the Association rules must be attached to leases between unit owners and their tenants. The Association may attach a copy of these rules to the inside of the door of the heater closets in each unit. Free condominium lease forms (including rental applications and inventory forms) are also available from the Association.

Leasing of units is allowed only if (i) All leases are in writing and are subject to the provisions of the Declaration and community policies, (ii) a copy of the then-current community policies are provided to an Owner's tenant by the Owner at the beginning of the lease term, (iii) the Unit is not leased for hotel or transient purposes or for less than 30 days.

32 *Leasing of units by management company* The Association's management company may, with authority and compensation from a unit owner, lease, manage, and/or sell an owner's unit. In doing so, the management company does not represent or act for the Association. The management company is not paid by the Association to lease, manage, or sell individual units for the owners.

33 *Fines* The Board may levy reasonable fines on unit owners for violating the Declaration or Rules. A minimum fine for each violation shall be \$25. Each day of violation may be deemed a separate violation by the Board. Fines may be assessed only if the unit owner is notified of the nature and approximate date of the violation and the amount of the fine. Any unit owner and/or his family, guest or tenant who has been fined may appeal the fine and appear before the Board to ask that the fine be dropped and to explain why. In order to appeal a fine, the owner must request such appeal in writing within 30 days of management's mailing of the fine notice to the owner. There must be notice of the alleged infraction and fine to the Owner no later than 45 days from the alleged infraction.

34 *Late charges* The charge for late payment of monies to the Association shall be a one-time \$15 charge to cover the administrative costs, hassle, and overhead of collection (excluding attorney's fees) After the due date, interest shall run on unpaid sums due the Association at the rate of 18% per year compounded annually

35 *Hot checks* The charge for a returned check is \$25 plus bank charges incurred by the Association

36 *Board access to units* The Association shall have the right to enter an Owner's Unit for purposes of (1) inspection for utility leaks and frozen pipes, (2) prevention of water pipe freezing (by turning on heat or dripping faucets), and (3) protection of property rights and quiet enjoyment of other owners The Association may request but not require Owners to furnish the Association with entry keys to their Units for such purposes If the Unit is unoccupied at the time such entry is needed for such purposes, only a locksmith may be used for gaining entry except in case of extreme emergency such as a fire Emergency utility leaks may be repaired by the Association at the Owner's expense without prior notice Utility leaks for which the Owner is responsible under the Declaration, Bylaws, or rules may be repaired by the Association at the Owner's expense with prior notice delivered to the Unit if the Owner fails to promptly repair them If the Unit is vacant and for sale or lease, the Unit Owner shall furnish a key in a sealed envelope to the Unit to the Association until it is sold or leased, such key to be used only in the event of suspected utility leaks or repairs thereof

37 *Delinquencies* The Board and/or management may disclose in newsletters and by other means, the names of owners who are delinquent in any sums due the Association, the amount of the delinquencies, and the names of violators and disciplinary action taken against unit owners The right to vote and the right to use common facilities such as the swimming pool, etc of any Owner who is more than 30 days delinquent on any sum owed to the Association are automatically suspended without notice If an Owner is delinquent in the payment of any sum due the Association for a period of 30 days or more, any tenant of the Owner occupying the unit may pay any sums due to the Association by the Owner in order to avoid suspension of common area use rights, and the Tenant may deduct same from rent due to the Owner If any owner is delinquent in the payment of any sum due the Association for a period of 60 days or more, the Board may (so long as the default continues) demand and receive from any tenant occupying the owner's unit the rent due or becoming due from the tenant to the owner, up to an amount sufficient to pay all delinquent sums due to the Association by the owner

38 *Fees for special services* Fees chargeable to Owners for special services (such as furnishing resale certificates, eligibility certificates, copies of declarations, copies of information sent to mortgagees, copies of accounting records, etc) shall be set by the Board from time to time

39 *Change of address* Owners shall keep the Association timely informed of their current addresses and any change of addresses

40 *Names and addresses of tenants* Owners shall notify the Association of current names and addresses of tenants of their respective Units

41 *Name and address of new Owners* An Owner may not sell or convey his Lot without all monies due and owing to the Association being paid in full, and if such Owner does sell, convey, or transfer his Lot without paying such monies, such selling Owner shall remain liable for all monies accruing to the Association thereafter on such until such monies are paid in full If an Owner sells or transfers Ownership of his Unit and fails to notify the Association of the sale, the selling Owner shall continue to be liable for the assessments accruing after the sale or transfer until such time as the selling or transferring Owner notifies the Association in writing of the name and address of the new Owner


42 *Security device requirements if you rent your unit* If you rent your unit, a special statute provides that you must rekey at every tenant turnover and you must install and maintain certain kinds of security devices in your unit This is very important since you could be held responsible for crimes committed against your tenants that are caused in part by your failure to comply with the 1993 Texas Security Device Statute The Board may, at the owner's expense, enter and install, repair, or rekey any security device required by the Texas Security Device Statute in order to cure a violation of the statute by the owner The statute states that you must rekey between the date the old tenant moves out and the 7th day after the new tenant moves in

43 *Interior Water Leaks* Failure of a unit owner to promptly report a water leak to the Association within 30 days after evidence of the leak in the interior of the owner's unit can cause damage to be compounded many fold This is especially true when leaks occur from windows, roofs, or other exterior areas This can result in water running down the interior of perimeter walls and damaging the interior of the unit walls, and interior surfaces, ceilings or carpets in units The failure of the owner to report such leak within 30 days after the first sign of the leak shall mean that the unit owner shall pay for 80% of the cost of any interior repairs to any common element which the Association would otherwise be liable to fix and pay for under the declaration Unit owners must report evidence of any existing leak to the Association within that 30-day period After that time, an owner is liable for 80% of the cost

of interior repairs, and items for which the Association would otherwise be liable. Unit owners purchasing their units are responsible for the failure of the preceding owner to report such leaks, as applicable.

44 *Declaration Provisions* Many of these policies are directly from the Declaration of Covenants, Conditions, and Restrictions which apply to owners and their occupants and guests. Some of the policies are in addition to what is in the Declaration. All Declaration provisions apply -- even if not set forth below. Except for provisions of these policies that come from the Declaration, the policies may be changed or added to by the Board.

45 *Non-Liability and Release of the Association, Officers, And Directors* AS PROVIDED IN THE DECLARATION APPLICABLE TO THE CONDOMINIUM PROJECT, THE ASSOCIATION AND ITS OFFICERS AND DIRECTORS SHALL NOT BE LIABLE TO UNIT OWNERS, THEIR TENANTS, AND PERSONS ON THE PROPERTY AT THEIR INVITATION OR WITH THEIR PERMISSION, FOR PROPERTY DAMAGE, PERSONAL INJURIES OR HARM RESULTING AT ANY TIME FROM NEGLIGENT CONDUCT OF THE ASSOCIATION OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS RELATING TO ENFORCEMENT OR NONENFORCEMENT OF THE ASSOCIATION'S DECLARATION OR RULES. THIS INCLUDES BUT IS NOT LIMITED TO ANY DECLARATION PROVISIONS AND RULES REGARDING PET LEASH REQUIREMENTS, TRAFFIC INTERSECTION SIGHTLINES, SWIMMING POOL RULES, TRAFFIC SIGNS, VEHICLE PARKING, COMMON AREA LIGHTING OR FENCING, COMMON AREA SECURITY, HAZARDOUS MATERIALS STORAGE, ELECTRICAL LINES, OR SANITARY SEWER SYSTEM FAILURES, ETC. UNDER THE DECLARATION, BY ACCEPTANCE OF A DEED OR LEASE, OWNERS AND TENANTS, AS WELL AS PERSONS ON THE PROPERTY AT THEIR INVITATION OR WITH THEIR PERMISSION, ARE DEEMED TO HAVE RELEASED THE ASSOCIATION AND ITS OFFICERS AND DIRECTORS FROM SUCH LIABILITY, TO THE EXTENT AUTHORIZED BY LAW. THE FOREGOING DOES NOT RELEASE AN OFFICER OR DIRECTOR FROM LIABILITY FOR ACTS OR OMISSIONS WHICH ARE (1) A BREACH OF THE OFFICER'S OR DIRECTOR'S DUTY OF LOYALTY AND FIDUCIARY DUTY TO THE ASSOCIATION OR ITS MEMBERS, (2) ACTS OR OMISSIONS NOT IN GOOD FAITH OR INVOLVING INTENTIONAL MISCONDUCT OR A KNOWING VIOLATION OF LAW, (3) A TRANSACTION FROM WHICH AN OFFICER OR DIRECTOR RECEIVES AN IMPROPER BENEFIT, WHETHER OR NOT THE BENEFIT RESULTED FROM AN ACTION TAKEN WITHIN THE SCOPE OF THE DIRECTOR'S OFFICE, OR (4) AN ACT OR OMISSION FOR WHICH THE LIABILITY OF THE DIRECTOR IS EXPRESSLY PROVIDED BY STATUTE.



President, Stillhouse Canyon
Condominium Homeowners Association, Inc

6/15/01

Date of Adoption

PARKING SPACE ASSIGNMENTS

- (a) Parking spaces are numbered on the Map. A parking space number on the Map identifies the parking space and not the Unit to which the space is assigned. For security purposes, the Association shall cause different numbers to be used on the ground to identify the spaces. A Unit's exclusive parking rights in Exhibit J shall be an appurtenance that cannot be separated from ownership of the Unit to which they are attached, and such parking rights shall automatically transfer with ownership of the Unit, without necessity of specific reference to parking assignments in the transfer or conveyance document.
- (b) Each of the respective Units shall have exclusive rights to use the parking space(s) assigned to the Unit in Exhibit J, as a limited common element for the Unit. All parking shall be subject to parking regulations in this Declaration and in Association rules. Spaces that are not assigned to a Unit in Exhibit J shall be either (a) common area parking spaces for Unit owners and guests or (b) parking spaces to be assigned by Declarant to a Unit as a limited common element for the respective Unit. A space that has been assigned to a Unit in Exhibit J is only for the use by the Unit owner.
- (c) Each Unit shall have at least one assigned parking space. One additional parking space (that has not been assigned to a Unit in Exhibit J) can, by Declaration amendment to Exhibit J by Declarant, be assigned to a Unit as a limited common element for that Unit. Such additional parking space may be uncovered or covered (with a carport). No Unit may have more than two assigned spaces.
- (d) Declarant may cover such additionally assigned spaces without approval of the Board of Directors. If a Unit has been sold to an individual purchaser after the recording of this Declaration, the Unit owner may not construct a cover (carport) on a parking space appurtenant to his Unit without prior approval of the Board. Such approval may be granted or withheld at the sole discretion of the Board since many factors are involved, such as the effect on aesthetics, views, traffic safety, parking difficulties, and added common area maintenance for the Association.
- (e) Striping on parking spaces as of the date of Declaration recording and the physical structure of any carport shall control over parking space boundaries shown on the Map.
- (f) Declarant's right to reassign any parking space to a different Unit and to assign an additional parking space to a unit by amendment to the Declaration shall not apply if the parking space(s) in question have been assigned to a Unit that has already been sold and conveyed to an individual purchaser. In other words, once a Unit has been sold to a purchaser by Declarant, the space(s) that are assigned to that Unit cannot be reassigned by Declarant to another Unit. Any such reassignment or additional assignment of spaces by Declarant may only be done by Declaration amendment to Exhibit J.

UNIT NO	PARKING SPACE(S) ASSIGNED TO UNIT AS LIMITED COMMON ELEMENT	UNIT NO	PARKING SPACE(S) ASSIGNED TO UNIT AS LIMITED COMMON ELEMENT
<u>Building No. 1 (1st Floor)</u>		<u>Building No. 1 (2nd Floor)</u>	
101	2	201	4
102	3	202	5
103	6	203	8
104	7	204	9
105	10	205	11
106	13	206	12

Building No 2 (1st Floor)

107	14
108	17
109	18
110	21
111	22
112	23

Building No 3 (1st Floor)

113	29
114	31
115	35
116	36
117	38
118	39

Building No 4 (1st Floor)

119	46
120	49
121	50
122	205
123	53
124	203

Building No 5 (1st Floor)

125	56
126	57
127	202
128	201
129	62
130	63

Building No 6 (1st Floor)

131	70
132	71
133	76
134	77
135	80
136	81

Building No 7 (1st Floor)

137	88
138	89
139	93
140	94
141	97
142	98

Building No 2 (2nd Floor)

207	15
208	16
209	19
210	20
211	24
212	25

Building No 3 (2nd Floor)

213	28
214	32
215	33
216	34
217	40
218	41

Building No 4 (2nd Floor)

219	47
220	48
221	51
222	52
223	54
224	55

Building No 5 (2nd Floor)

225	58
226	59
227	60
228	61
229	64
230	65

Building No 6 (2nd Floor)

231	68
232	69
233	74
234	75
235	78
236	79

Building No 7 (2nd Floor)

237	86
238	87
239	91
240	92
241	95
242	96

Building No 8 (1st Floor)

143	101
144	99
145	104
146	105
147	107
148	108

Building No 8 (2nd Floor)

243	100
244	102
245	103
246	106
247	109
248	110

Building No 9 (1st Floor)

149	112
150	111
151	117
152	118
153	121
154	122

Building No 9 (2nd Floor)

249	113
250	114
251	115
252	116
253	123
254	124

Building No 10 (1st Floor)

155	129
156	130
157	133
158	134
159	141
160	142

Building No 10 (2nd Floor)

255	131
256	132
257	135
258	136
259	137
260	138

Building No 11 (1st Floor)

161	225
162	227
163	230
164	231

Building No 11 (2nd Floor)

261	228
262	229
263	232
264	233

Building No 12 (1st Floor)

165	243
166	244
167	248
168	249

Building No 12 (2nd Floor)

265	245
266	246
267	250
268	251

Building No 13 (1st Floor)

169	256
170	257
171	260
172	261

Building No 13 (2nd Floor)

269	254
270	255
271	258
272	259

Building No 14 (1st Floor)

173	264
174	265
175	267
176	268
177	273
178	274

Building No 14 (2nd Floor)

273	262
274	263
275	269
276	270
277	271
278	272

Building No 15 (1st Floor)

179	278
180	279
181	283
182	284
183	288
184	289

Building No 16 (1st Floor)

185	293
186	294
187	297
188	298
189	299
190	300

Building No 15 (2nd Floor)

279	275
280	277
281	280
282	281
283	285
284	286

Building No 16 (2nd Floor)

285	291
286	292
287	295
288	296
289	301
290	302

stillhousedec6/13/01/2d

*After recording, please return to
Niemann & Niemann, L L P
Attorneys at Law
Attn Mr Larry Niemann
1122 Colorado Street, Suite 313
Austin, Texas 78701*

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS



06-15-2001 11 47 AM 2001096410
KNOWLESR \$143 00
DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

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