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**DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS FOR  
8888 TALLWOOD CONDOMINIUM**

This Declaration of Covenants, Conditions and Restrictions for 8888 Tallwood Condominium (this "Declaration"), is executed by 8888 Tallwood Partners, LP, a Texas limited partnership, the owner of the property more particularly described in Exhibit "A" attached hereto.

**Recitals**

The property subject to this Declaration is described in Exhibit "A." The property consists of ninety (90) residential condominium units and various common area improvements. The property is locally known as the "8888 Tallwood."

This Declaration establishes a plan for individual ownership in fee simple of each condominium unit and an undivided interest in the common areas and common facilities. Each owner 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 this Declaration.

This Declaration and the property subject to it shall be governed by the Texas Uniform Condominium Act, Chapter 82, Texas Property Code. 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.

**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 "8888 Tallwood Condominium Homeowner's Association, Inc.," a Texas non-profit corporation to be created by filing Articles of Incorporation for that Association with the Texas Secretary of State.
- 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 buildings identified on the map of the Project attached 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. "Condominium Unit" shall mean an individual Unit, as defined in Subsection "r" 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."

h. "Declarant" shall mean 8888 Tallwood Partners, LP

i. "Declaration" shall mean this Amended and Restated Condominium Declaration instrument.

j. "First Mortgagee" shall mean the holder of a purchase-money mortgage 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.

k. "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, 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, gas, water, and the like) which are constructed to serve more than one Unit, if any; 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 private drives as shown on the Map;

(6) the amenities intended to be used by all of the Owners of the Project, such as the club house, the swimming pool and hot tub; and

(7) 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 Elements or as appurtenant to as constituting a part of a particular Unit.

l. "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) attics (for storage purposes only), parking spaces assigned to each Unit as determined by Declarant as the Units are sold, storage areas assigned to certain Units as determined by Declarant as the Units are sold, balconies and patio structures serving exclusively a single Unit; and

(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 are the pads or slabs for the support of the air conditioning compressors appurtenant to and forming a part of such Unit.

m. "Majority of Unit Owners" means those Owners which at the relevant time own over 50% of the votes entitled to be cast by all Owners.

n. "Map" or "Plan" means or includes the engineering survey of the land, locating thereon all of the improvements, the floor and elevation plans and any other drawing or diagrammatic plan depicting part of, or all of, the improvements, same being attached as Exhibit "B."

o. "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.

p. "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity of any combination thereof who owns, of record, fee simple title to one or more Units in the Project.

q. "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.

r. "Unit" shall mean one of the enclosed spaces that consists of one or more rooms in a Building and 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 measured from the center of the perimeter and demising walls, and from the interior surfaces of the 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 remain the same 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 such 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 the 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.

s. "Act" shall mean the Uniform Condominium Act, Texas Property Code Section 82.001, et. seq.

## **ARTICLE II. CONDOMINIUM UNIT DESIGNATIONS AND DESCRIPTIONS**

2.1 Map. A copy of the Map is in Exhibit "B." The Map contains:

a. the location of the land and the Buildings and all other improvements currently situated on the Property;

b. the footprint of the Units and Buildings situated on the Property, showing the exterior boundaries and number of the Units, and any other data necessary for the identification of them, which information is depicted by numbers of the various Units;

c. the location of any Limited Common Elements and the identification of the Units to which the same relate;

d. all other information required by Section 82.059 of the Act; and

e. the certification of an independent licensed architect, surveyor, or engineer that the Map contains all information required by Section 82.059 of the Act.

2.2 Designation of Units. The Project consists of ninety (90) separately designated Units that includes three (3) Buildings, plus a club house. Each Building is identified by a number on the Map, and 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(I). Limited Common Elements are allocated and assigned to the respective Units, as indicated on the Map. Limited Common Elements for the respective units are (a) the balconies and patios attached to the Units, and (b) the air conditioning pads serving the respective Units. Certain Units may have

reserved parking spaces and storage areas assigned by Declarant as Limited Common Elements for those Units. 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. Rules governing the use of common areas by Owners and by their guests and invitees shall be promulgated by the Board of Directors of the Association. All Owners shall be furnished with a copy of the rules at the direction of the Board. Each Owner shall be required to comply strictly with the 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.

2.6 Descriptions. Every deed, lease, mortgage, trust deed, or other instrument may legally describe a Unit by its identifying Unit number, as shown on the Map, followed by the words "8888 Tallwood Condominium" 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.

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

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. 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 and Limited 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. Limited common elements shall be for the exclusive use of the Units that they serve.

c. Use Restrictions. Without limiting the generality of the restrictions of this section and previously recorded restrictions as provided in Section 2.10, 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 that, 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. Except for barbecue grills, no exterior fires are permitted. Discharging of firearms or fireworks are prohibited. Coal, oil and gas for heating, air conditioning, or cooking may not be used in the Project.

(2) Clothes drying. No exterior clothes drying in view of adjacent streets or any neighbors is permitted, except towels and bathing suits may be dried on the private balconies of each Unit.

(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) Animals. No animals are allowed on the Property except that Owners or their tenants are limited to not more than two common domestic pets. No wild animals are allowed. No animal shall be allowed to make an unreasonable amount of noise, or to become a nuisance, and no domestic animals will be allowed on the Property other than in the Unit of its Owner unless confined to a leash. No animal may be boarded for hire or remuneration on the Property, and no kennels or breeding operation will be allowed. No animal shall be allowed to run at large. Animals that are permitted shall be kept on a leash. Leashes may not be tied to objects visible from the street and must be held by a person who can control the animal at all times. The Owner of a Unit where an animal is housed has the responsibility to immediately clean up after such animal has defecated in Common Areas or on outside balconies, patios, enclosed courtyards or streets. If an animal or Unit Owner is in violation of these restrictions, the Declarant or Board may remove the animal from the Property and place the animal with the local humane society.

(5) Liability for animals. The Unit Owner and the pet owner are both jointly liable to all other Owners and their respective families, guests, tenants and invitees for injury and all damage caused by any animals brought or kept on the Property by an Owner or members of his family, his tenants or his guests -- with or without permission of the Board. 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 Property, with or without the permission of the Board, by an Owner or members of his family, his tenants or his guests.

Dogs may not defecate anywhere on the Project except inside the Owner's Unit or in the Common Area. Used cat litter must be disposed of only in proper trash receptacles. It may not be dumped in flower beds because the ammonia will kill the vegetation. Owners must keep their dwellings in a sanitary condition and free from fleas, pet parasites and noxious odors. Unit Owners shall be liable for damage caused to common facilities by animals of the owner or the owner's tenants or guests. The Unit 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.

(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.

(7) Window coverings. All exterior windows shall be covered by either 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 or other common areas. Garage sales and estate sales are not allowed. Storage of boxes and personal property in parking spaces is prohibited if such storage prevents the parking of the Owner's or occupant's vehicle(s). Nothing may be stored in Common Areas except in buildings or screened areas approved by the Board.

(9) Vehicle repair. Except in an emergency when a vehicle is inoperable, no vehicle may be worked on or repaired 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 shall be removed from the property at the owner's expense.

(10) Parking.

(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 marked parking places in the paved parking areas.

(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 dwellings. 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 Property.

(c) Owners and occupants may not park more than two (2) vehicles per dwelling, on a permanent or regular basis. No boats or recreational vehicles may be parked or stored on the Property at any time without special written approval from the Board. Exterior parking may not be assigned except as determined by Declarant or to accommodate disabled persons.

(d) Motorcycles and bicycles may not be parked on balcony walkways, underneath stairwells, or on patios. Bicycles must be stored inside the Units or on the private balconies of the Units.

(e) Special requests for handicap parking in the Common Areas will be considered by the Board. Handicap parking signs must be honored.

(f) Any construction of structured parking and Additional Units may require Unit owners, during construction, to temporarily park on adjacent property or streets.

(11) Anti-theft alarms. Owners and occupants 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.

(12) 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.

(13) Trash. Garbage or trash may be stored or thrown inside the disposal areas provided for such purposes. Trash receptacles provided by the Association must be used for disposal of garbage and trash.

(14) 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.

(15) Lighting. all exterior lighting on the Project will be shielded and oriented up or down so that the cone of light is vertical, or a shielded or frosted glass lighting type. No additional exterior lighting may be installed without approval of 65% of the Association membership.

(16) Antennas. No exposed exterior television or radio antennas or satellite dishes may be installed anywhere on the property.

(17) No alterations. Except with the written consent of two-thirds (2/3rds) of the Association members, no Owner or other person shall make any alteration, modification or improvement to the Common Elements, including fences, trimming of trees or other vegetation; no additional exterior lighting,



awnings, patio covers, or other devices may be added to the Common Elements; and no structure, equipment, or object may be added to or removed from the Common Elements by any Owner or other persons.

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

(19) 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.

(20) No temporary structures. No structure of a temporary character, trailer, tent, shack, garage, barn or other outbuildings are permitted on the Property, 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 building of any building or other Common Elements.

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

(22) Persons who may use common areas. Common areas may only be used by Unit Owners and their tenants, family and guests.

(23) Leasing. Leasing of units is allowed only if: (a) all leases are subject to the provisions of the Declaration and community policies, (b) 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, and (c) the Owner and Tenant comply with all applicable community policies. See Section 4.4(I) and Exhibit "G."

(24) Community policies. All persons shall comply with the Association's community policies as provided in Section 4.4 and in Exhibit "G" as amended from time to time.

### **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.

3.2 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 Owners thereof, but such partition shall not affect any other Unit.

3.3 Exclusiveness of Ownership. Each Owner shall be entitled to exclusive ownership and possession of his Unit. Each Owner may use the Common Elements in accordance with the purposes for which they are intended and without hindering or encroaching upon the lawful rights of the other Owners, subject to the rules and regulations adopted from time to time by the Board for the purpose of facilitating such common use and enjoyment by all Owners.

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 any Additional Units described on the Map, no labor performed or materials furnished and incorporated in a Unit, notwithstanding the consent or request of the Owner, his agent, contractor or subcontractor, shall be the basis for filing 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. With prior written notice given in advance whenever possible, 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. 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 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) the 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.

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. 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. No Owner, other than Declarant, shall construct a condominium Unit without the prior written approval of the plans therefor by the Board of

Directors appointed by the Board of Directors. No Owner, other than Declarant, shall 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. Declarant may construct any structured parking and make improvements to any individual units and the property without the approval of the Board of Directors or the Association.

Except as allowed by the preceding paragraph, 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 thirty (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.

An Owner shall do no act, nor 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 in any perimeter walls or ceilings and any fixture attached to the perimeter or demising walls, including, but not limited to, electrical outlets and switches.

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. Each Owner 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.

#### **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, 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 two to 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 4.5(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 up to the number of vacancies 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 two-thirds of the votes represented at a quorum meeting of the Members called to consider such action or at an annual meeting of the Members.

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 "D" and Exhibit "E," 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, uses of Units, Common Areas, construction, repairs, parking, unsightly objects, occupancy limits (subject to federal fair housing provision regarding families) relationships between Owners, tenants and/or the Association, enforcement, and other subjects reasonably affecting the project. The rules must be consistent with and not in conflict with this Declaration. The Rules (or Community Policies) as of the time of adoption of this Declaration are attached as Exhibit "G."

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 of any Owner who is more than thirty (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 forty five (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 thirty (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 (1) require that tenant names, work phones, home phones and emergency contact persons be registered with the Board or the Association's management company, or (2) recommend or require 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.

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 Unit without all monies due and owing to the Association being paid in full; and if such Owner does sell, convey, or transfer his Unit without paying such monies, such selling Owner shall remain liable for all monies accruing to the Association thereafter 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 for all monies becoming due 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 collecting monies, 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.

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 sixty (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 Mortgagee) and apply all rents received first, to sums owed the First Mortgagee, next, 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 action may be taken only after ten (10) days' notice, sent via certified mail to the Owner's last known address and to the Owner's First Mortgagee, (if any), along with a copy of this section of the Declaration; and provided further that such action may not be taken if the Owner or First Mortgagee delivers written objection to the Association at any time after the alleged abandonment.

x. Notices to multiple Owners and tenants.. 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 sixty (60) days delinquent, the Association may send to the Owner's tenant a copy of any Association notices or communications with the Owner.

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 two-thirds (2/3rds) 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.

#### 4.5 Membership and Voting.

a. Membership. The Association shall have only one class of members. Each Owner of a Unit that is built or must be built shall be a member of the Association; however, an Owner shall not be entitled to vote the Percentage Interest assigned to a Unit until that Unit is fully constructed and a certificate of occupancy is issued for the Unit.

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.

b. Voting. Ownership of each Condominium Unit in the Project by a member entitles the Owner or Owners (collectively) thereof to a vote with a value equal to the Percentage Interest assigned to that Unit as defined in Exhibit "C" as it may be amended from time to time. However, a Unit Owner shall not be entitled to vote the Percentage Interest assigned to that Unit until the Unit is fully constructed and a certificate of occupancy is issued for the Unit. The percentages of value assigned to each Unit in the Condominium Project are set forth in Exhibit "C" and are arbitrary figures based upon the approximate size of each unit in relation to the others, but nevertheless shall be determinative of the proportionate share of each respective Owner in the expenses of administration and the value of such Owner's vote at meetings of the Association.

If a Unit is owned by more than one person, the Owners who own fractional interests in such Unit aggregating more than fifty percent (50%) of the whole ownership thereof shall appoint one member who shall be entitled to exercise the votes pertaining to that 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 Unit.

#### 4.6 Insurance.

a. Fire, extended coverage and flood insurance. The Association shall obtain and maintain at all times insurance of the type and kind required by Section 82.111 of the Act and such additional insurance 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. Flood insurance shall be required to the extent, but only to the extent, that improvements are located in a flood plain identified by FEMA as subject to special flood hazard. 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, flood (if required), vandalism, malicious mischief 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.

By resolution of the Board to which at least three-fourths (3/4ths) thereof concur, the Association may obtain and maintain insurance covering the Units. 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 ten (10) 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.

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 member, 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 ten (10) 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 may at its discretion 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 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 4.6(a) does not insure the Units or any fixtures, installations or additions composing a part of the Buildings within the unfinished interior surfaces of the perimeter walls, floors and ceilings of the individual Units or installed by or at the expense of the Owners, and which are 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 his Unit and the fixtures and improvements therein.

e. Compliance with the Act. All policies of insurance shall comply in all respects with all requirements of the Act. Subject to the provisions of Section 82.111 of the Act, insurance policies shall contain such mortgagee protection clauses as may be required by the First Mortgagees. No such policies or the constituent documents of the company issuing them shall contain any provisions requiring contributions or making assessments against the Association, Owners, or any First Mortgagee (or any successor or assign of any First Mortgagee) and none of such policies or such constituent documents shall provide that loss payments are contingent upon any action by such company's board of directors, policy holders or members. None of such policies shall contain any limiting clauses (other than insurance conditions) which could prevent any Owner, the Association or a First Mortgagee from collecting Insurance Proceeds.

4.7 Accounting and Audit. 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.

4.8 Architectural Control Committee. The Board shall serve as the Architectural Control Committee for the Association, approving or disapproving construction, alteration and modifications pursuant to Section 3.8.

#### 4.9 Security Policies.

a. The Association does not promise, warrant or guarantee the safety of Owners, occupants, family members, tenants, guests, or their agents or contractors or their personal property against the criminal actions of others. Each Owner and other persons in the Project have 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 the Association that such systems, devices or services will prevent injury, theft or vandalism. Any security company or individual walking or driving through the property on behalf of an owner 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. The Association does not promise, warranty or guarantee that any such systems, devices or services do in fact discourage or prevent breaches of security, intrusions, thefts or incidents of violent crime. The Association reserves 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 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. 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 members, 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. The Association expressly disclaims any duties to provide security services.

## **ARTICLE V. MAINTENANCE ASSESSMENTS**

5.1 Assessments for Common Expenses. All Owners shall be obligated to pay the estimated Common Assessments imposed by the Association to meet the Common Expenses, except that during the period commencing with the conveyance of the first Unit by Declarant to a third party and ending three (3) years later, Declarant will not pay the estimated Common Assessments on the Units owned by Declarant but instead shall

pay to the Association on a quarter annual basis the difference between the operational expenses of the Association and the operational expense portion of the assessments paid by Unit Owners other than Declarant. After the expiration of that three (3) year period, Declarant will pay Common Assessments on a monthly basis for all Units owned by Declarant. 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 (5th) 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.

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 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 premiums, 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 who have 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. Each Owner shall pay for his own utilities which are 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, based upon square footage, as in the case of other Common Expenses. Water to the Project will be provided by the City of Austin. The Association will pay the water bill for the entire Project, and the individual Unit Owner will be assessed for water usage through the Common Assessment. The Unit Owners will be required to pay their pro-rata share of the water usage, and the payments will be forwarded to the Association to reimburse the Association for the water payments made by the Association. Any failure of a Unit Owner to pay a water utility invoice will be treated as a default in the payment of an assessment and entitle the Association to exercise all remedies available for the failure to pay an assessment. Any payments received by the Association may be applied first to pay any water utility invoices and then to pay any regular or special assessments that may be due.

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 on Exhibit "C." Notwithstanding the foregoing, during the period commencing with the conveyance of the first Unit by Declarant to a third party and ending three (3) years later, Declarant will not pay the estimated Common Assessments on the Units owned by Declarant but instead shall pay to the Association on a quarter annual basis the difference between the operational expenses of the Association and the operational expense portion of the assessments paid by Unit Owners other than Declarant. After the expiration of that three (3) year period, Declarant will pay Common Assessments on a monthly basis for all Units owned by Declarant.

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 two-thirds (2/3rds) 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 Assessment for Improvements. 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 purpose of any movable or personal property for the common use of all the Owners, or for such other purpose or purposes as the Board of Directors may consider appropriate and for the common benefit of all of the Owners.

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 obligation of an Owner of a Unit to pay assessments 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 thirty (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.

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 non-judicial 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 may be maintained without foreclosing or waiving said lien securing same.

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

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 or initial construction mortgage voluntarily granted or created by the Owner on his Unit to the extent, and recorded with the Clerk of Travis County, Texas. The sale or transfer of any Unit by judicial foreclosure, non-judicial foreclosure or deed-in-lieu of foreclosure pursuant to a lien held by a First Mortgagee shall not extinguish the Association's contractual lien on amounts becoming due after such foreclosure. No such foreclosure shall relieve the prior Owners thereof from personal 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.

## 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 and Common Elements (including the unfinished interior walls and partitions of the Units) to substantially the same condition as they existed prior to any damage, with each Unit and the Common Elements having the same vertical and horizontal boundaries as existed prior to such damage and destruction.

The proceeds of any insurance shall be paid to the insurance trustee appointed by the Association pursuant to Section 82.111 of the Act for the purpose of repair, restoration or replacement. Section 82.111 of the Act shall govern repair, restoration or replacement of the condominium, and the disbursement of insurance proceeds by the Insurance Trustee.

6.2 Judicial Partition. There shall be no judicial partition of the Common Elements, nor shall 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. 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.

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.

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. An Owner who mortgages his Unit shall provide the Association with 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 thirty (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 or services deemed necessary or desirable by the Board.

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

7.7 Notice of Meetings. Upon written request, the Association shall furnish a First Mortgagee prior written notice of all meetings of the Association and shall permit the designation of a representative of such First Mortgagee to attend such meetings.

7.8 Notice of Damages or Destruction. Upon written request, 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 and No/100ths Dollars (\$1,000.00) and of any part of the Common Elements if such loss exceeds Ten Thousand and No/100ths Dollars (\$10,000.00).

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 "F" and may be modified as needed or required by law. 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 if at all possible.

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.



## ARTICLE VIII. MISCELLANEOUS PROVISIONS

### 8.1 Amendments to Declaration; Approval of Owners and Mortgagees.

a. Except for an amendment executed by Unit Owners reallocating a Limited Common Element as authorized by Section 82.058(b) of the Act, this Declaration may be amended at a meeting of Owners at which the amendment is approved by those Owners holding not less than 67% of the votes entitled to be cast by all Owners, and by the vote of not less than 51% of the First Mortgagees. Such amendment shall be evidenced by a written instrument executed and acknowledged by an officer of the Association on behalf of the consenting Owners and by the consenting First Mortgagees and filed of record in the County. Any such amendment so effected shall be binding upon all of Owners, provided however that except as permitted or required by the Act, no such amendment shall: (i) cause the alteration or destruction of a Condominium Unit or of a Limited Common Element unless such amendment has been consented to by Owner and the First Mortgagee of the Condominium Unit which is to be altered or destroyed or by Owner and the First Mortgagee of a Condominium Unit to which the Limited Common Element that is to be altered or destroyed is appurtenant, (ii) create or increase the Special Declarant Rights, (iii) increase the number of Condominium Units, (iv) change the boundaries of a Condominium Unit (except as permitted by Section 2.6 of this Declaration), (v) alter or destroy a Condominium Unit or a Limited Common Element (except as permitted by Section 2.6 of this Declaration), (vi) change the use restrictions on a Condominium Unit unless such amendment has been consented to by 100% of the votes entitled to be cast by all Owners, or (vii) adversely affect the lien of any First Mortgagee on any Condominium Unit unless such First Mortgagee has first consented in writing.

b. No Declaration amendments may be made which materially and adversely affect the interest of any Owner or First Mortgagee of a Unit, such as altering, repealing and/or changing voting percentages, assessment allocations, reserve fund requirements, insurance provisions, use rights, maintenance and repair obligations, financial protection of Association funds, or procedures for Declaration amendment or termination.

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. It is expressly stipulated that each and every purchaser of a Unit, his heirs, executors, administrators, assigns, successors and grantees hereby agree that the square footage, size and dimensions of a Unit as set out and shown in this Declaration or on the Map are approximate and are shown for descriptive purposes only, and the Declarant and the Association do 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 the Association 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, rising or lateral movement of the building and regardless of variance between the boundaries shown on the Map and those of the Buildings.

8.3 Ownership of Common Personal Property. No Owner shall have any other interest or 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 thirty (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, TRAFFIC SIGNS, VEHICLE PARKING, COMMON AREA LIGHTING, FENCING, COMMON AREA SECURITY, HAZARDOUS MATERIAL STORAGE, ELECTRICAL LINES, GAS 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 required 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, 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 Records 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 or enforceability of the remainder of this Declaration and the application of any provisions, section, sentence, clause, phrase or word in any other circumstances 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 Number, Gender, and Headings. As used in this Declaration, the singular shall include the plural and the masculine shall include the feminine, unless the context requires the contrary. All headings are for identification purposes only and shall not affect the interpretation of any provision.


8.11 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."

8.12 Conflict with the Act. To the extent that any provision of this Declaration, the By-Laws of the Association, the Articles of Incorporation of the Association, or the Rules and Regulations adopted by the Association conflict with any mandatory provision of the Act, the terms of the Act shall control and supercede such conflicting provision.

IN WITNESS WHEREOF, this Declaration has been executed as of the 28<sup>th</sup> day of June, 2005.

8888 TALLWOOD PARTNERS, LP, a Texas limited partnership

By: SUTTON ARBOR, LLC, a Texas limited liability company, General Partner

By:   
Wallace H. Scott, III, President

STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS       §

This instrument was acknowledged before me on this 28th day of JUNE, 2005, by Wallace H. Scott, III, President of Sutton Arbor, LLC, a Texas limited liability company, General Partner of 8888 Tallwood Partners, LP, a Texas limited partnership, on behalf of said company and limited partnership.



Marie A Howell  
Notary Public in and for the State of Texas

EXHIBITS:

- A - Legal Description of Property
- B - Map and Plans of the Property and Units
- C - Schedule of Percentage Interests
- D - Articles of Incorporation
- E - By Laws
- F - Management Certificate
- G - Community Policies
- H - Consent of Mortgagee

**EXHIBIT "A"**

**LEGAL DESCRIPTION OF THE PROPERTY**

Lot 2, or North Crossing Subdivision, Sec. 3, a subdivision in Travis County, Texas, according to the map or plat of record in Volume 82, Page 56, of the Plat Records of Travis County, Texas.

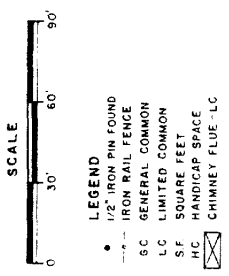
Exhibit B  
P.1

LEGAL DESCRIPTION:  
LOT 2, NORTH CROSSING SUBDIVISION SECTION 3, A SUBDIVISION IN TRAVIS COUNTY, TEXAS, RECORDED IN PLAT BOOK 82, PAGE 56 OF THE PLAT RECORDS OF TRAVIS COUNTY, TEXAS.  
SURVEYOR'S DECLARATION

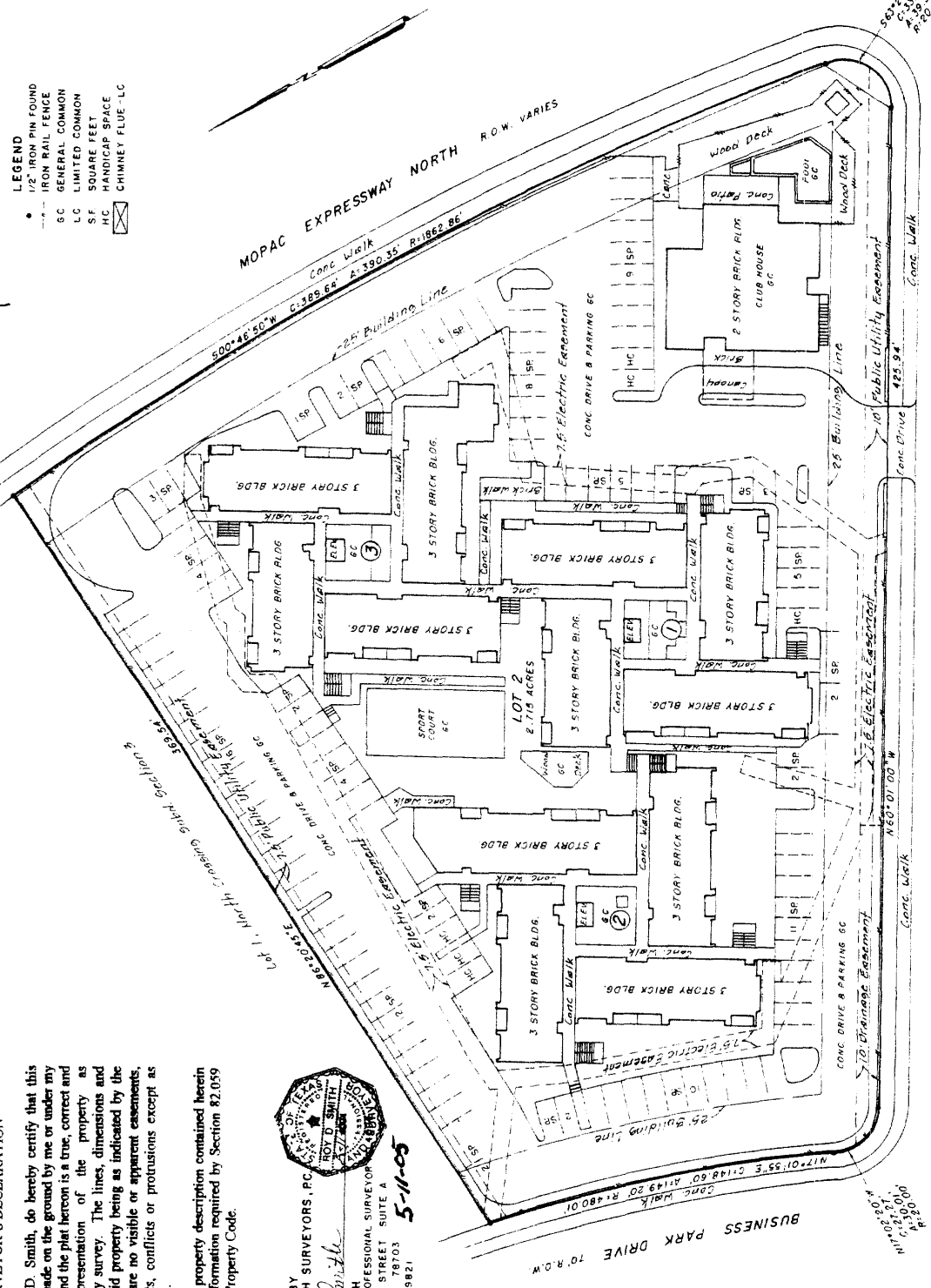
I, Roy D. Smith, do hereby certify that this survey was made on the ground by me or under my supervision and the plat hereon is a true, correct and accurate representation of the property as determined by survey. The lines, dimensions and corners of said property being as indicated by the plat. There are no visible or apparent encroachments, encroachments, conflicts or protrusions except as shown hereon.

The map and property description contained herein contain all information required by Section 42.059 of the Texas Property Code.

SURVEYED BY  
ROY D. SMITH SURVEYORS, P.C.  
ROY D. SMITH  
REGISTERED PROFESSIONAL SURVEYOR  
1214 WEST 5TH STREET SUITE A  
AUSTIN, TEXAS 78703  
PH: (512) 478-3821  
5-11-08



- LEGEND
- 1/2" IRON PIN FOUND
  - IRON RAIL FENCE
  - GC GENERAL COMMON
  - LC LIMITED COMMON
  - SF SQUARE FEET
  - HC HANDICAP SPACE
  - ☒ CHIMNEY FLUE - LC

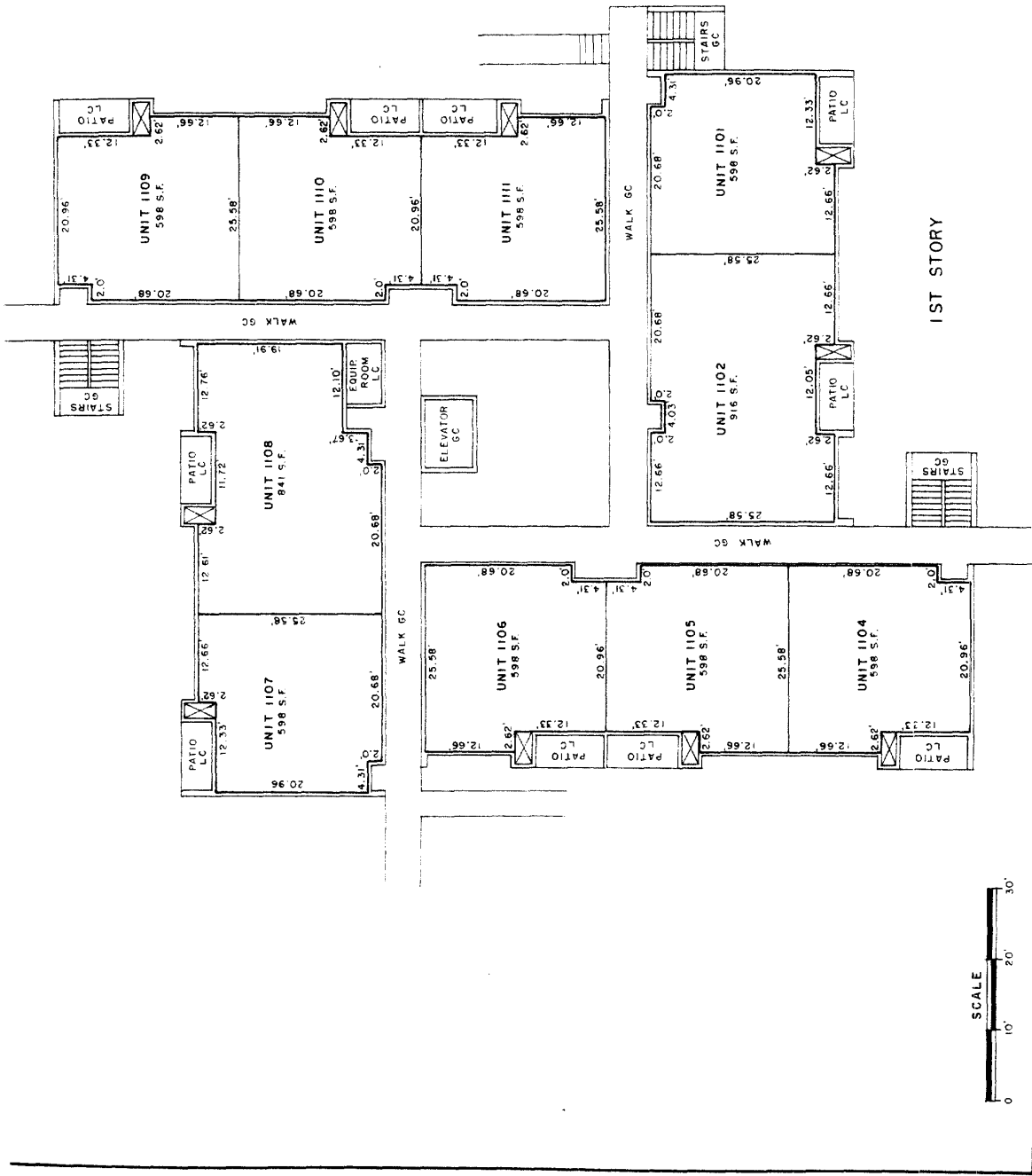


FLOOD PLAIN NOTE:  
The property described herein is not within the boundaries of the 100 Year Flood Plain as identified by the National Flood Insurance Program Flood Insurance Rate Map for Travis County, Texas, and incorporated Area dated June 16, 1993, Panel No. 48451C 0155E

TALLWOOD CONDOMINIUMS

SHEET 1 OF 10

SITE PLAN

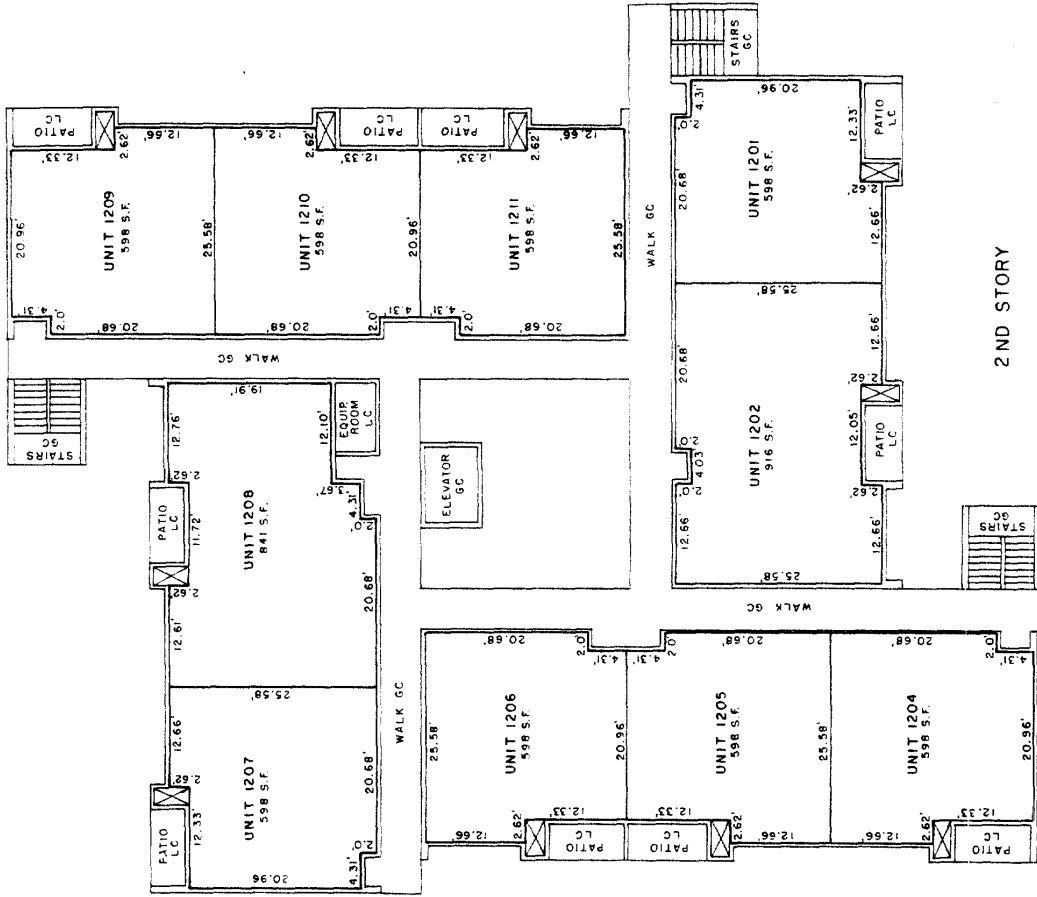


**TALLWOOD CONDOMINIUMS**

SHEET 2 OF 10

BUILDING I

Exhibit "B" P. 3



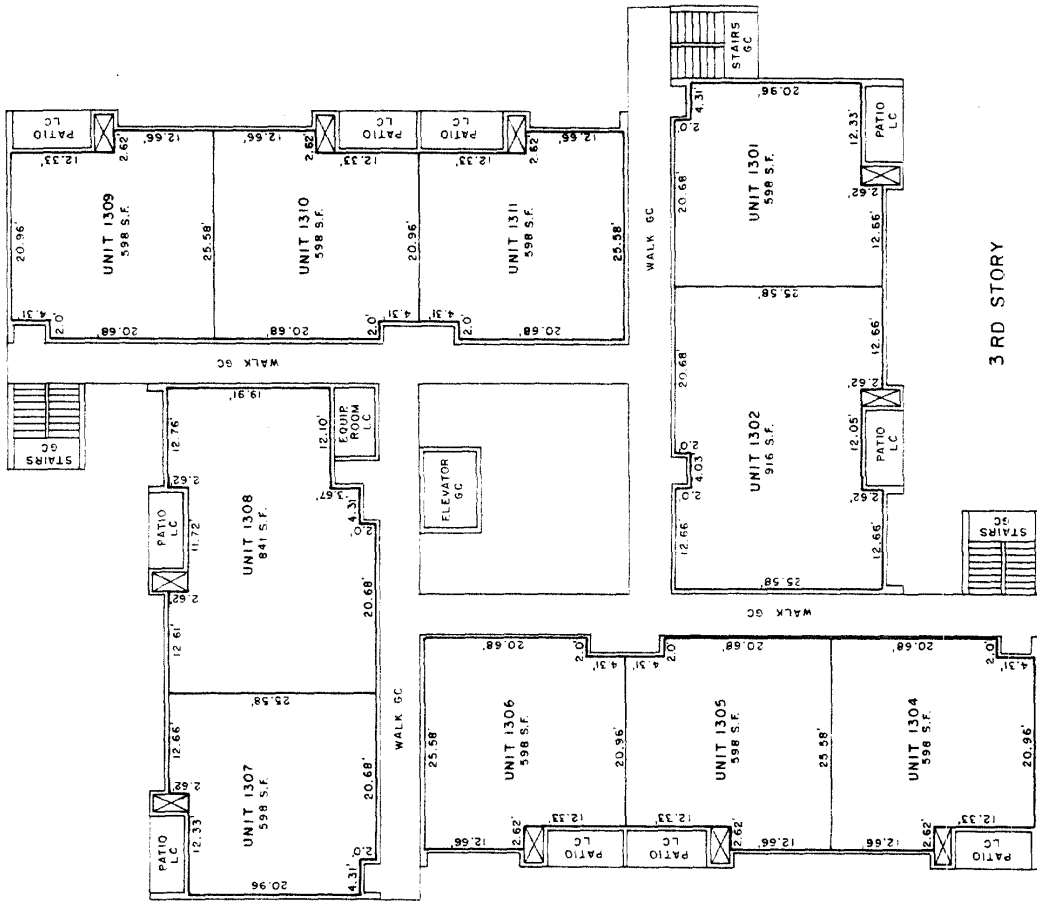
2ND STORY



TALLWOOD CONDOMINIUMS  
SHEET 3 OF 10 BUILDING 1



Exhibit "B" p.4

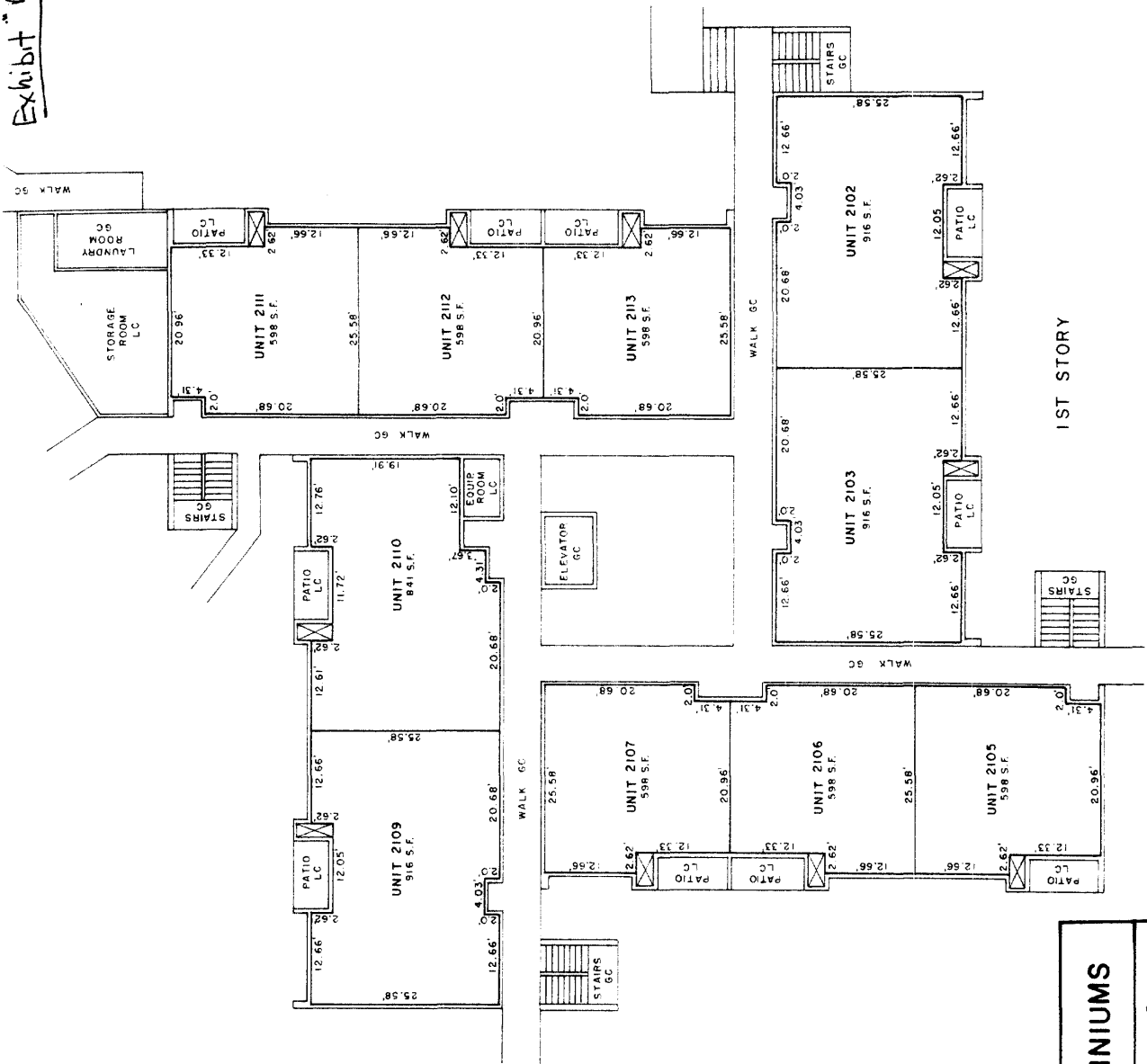


3 RD STORY



TALLWOOD CONDOMINIUMS  
SHEET 4 OF 10 BUILDING I

Exhibit "B" p 5



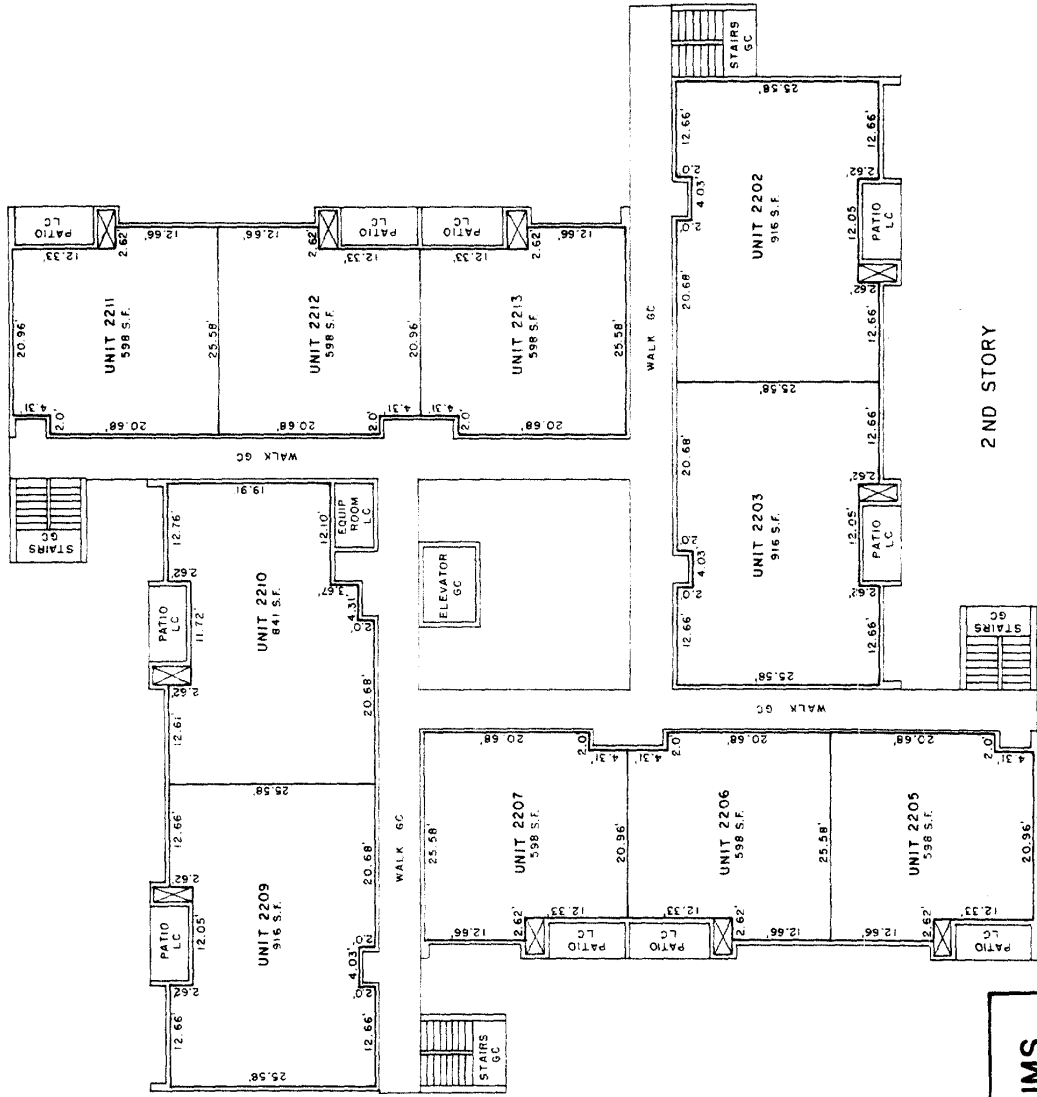
1ST STORY



# TALLWOOD CONDOMINIUMS

SHEET 5 OF 10 BUILDING 2

Exhibit B" p.6

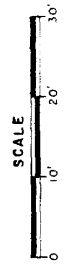
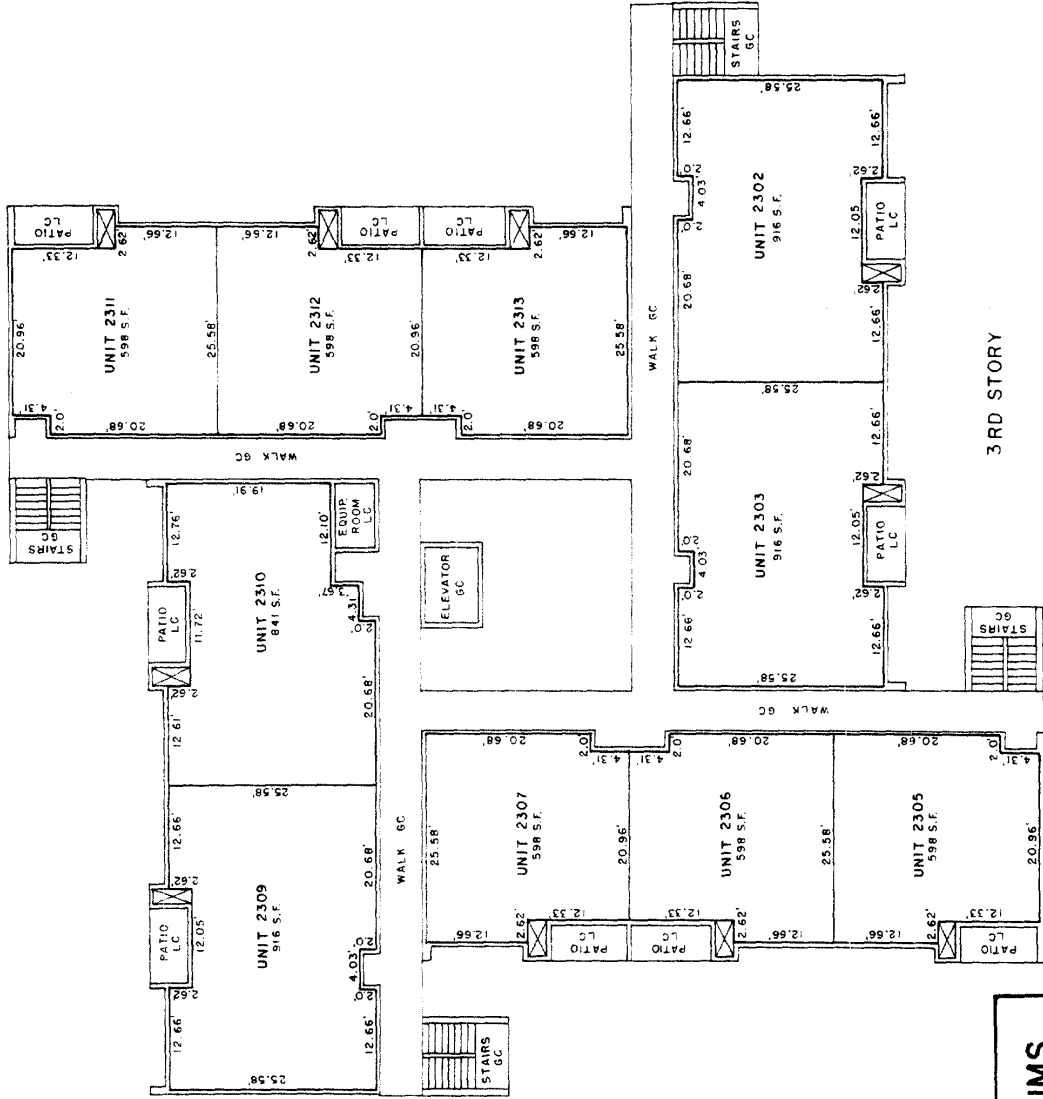


TALLWOOD CONDOMINIUMS

SHEET 6 OF 10

BUILDING 2

Exhibit "B" p.7

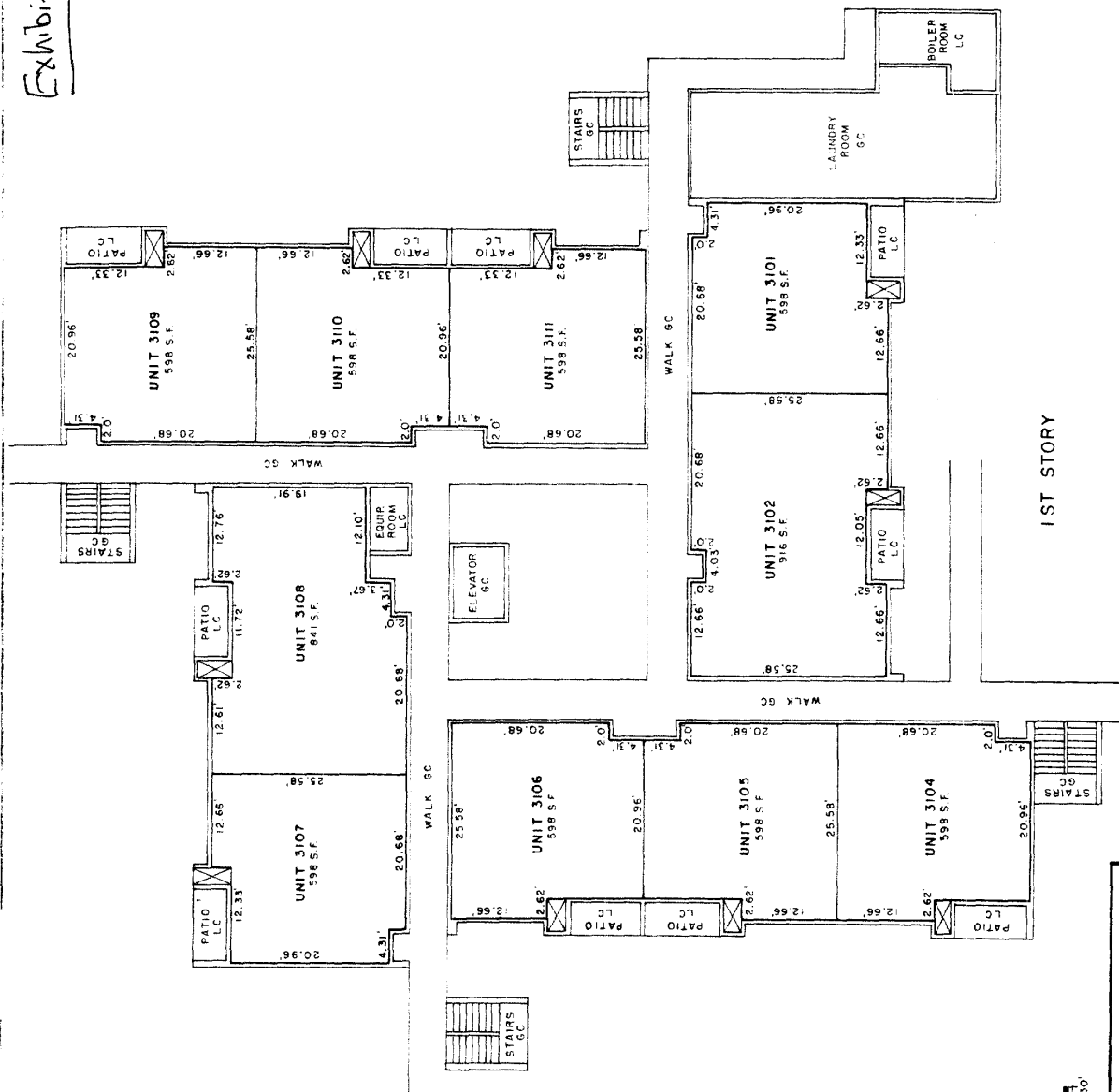


**TALLWOOD CONDOMINIUMS**

SHEET 7 OF 10 BUILDING 2

3RD STORY

Exhibit "B" p. 8

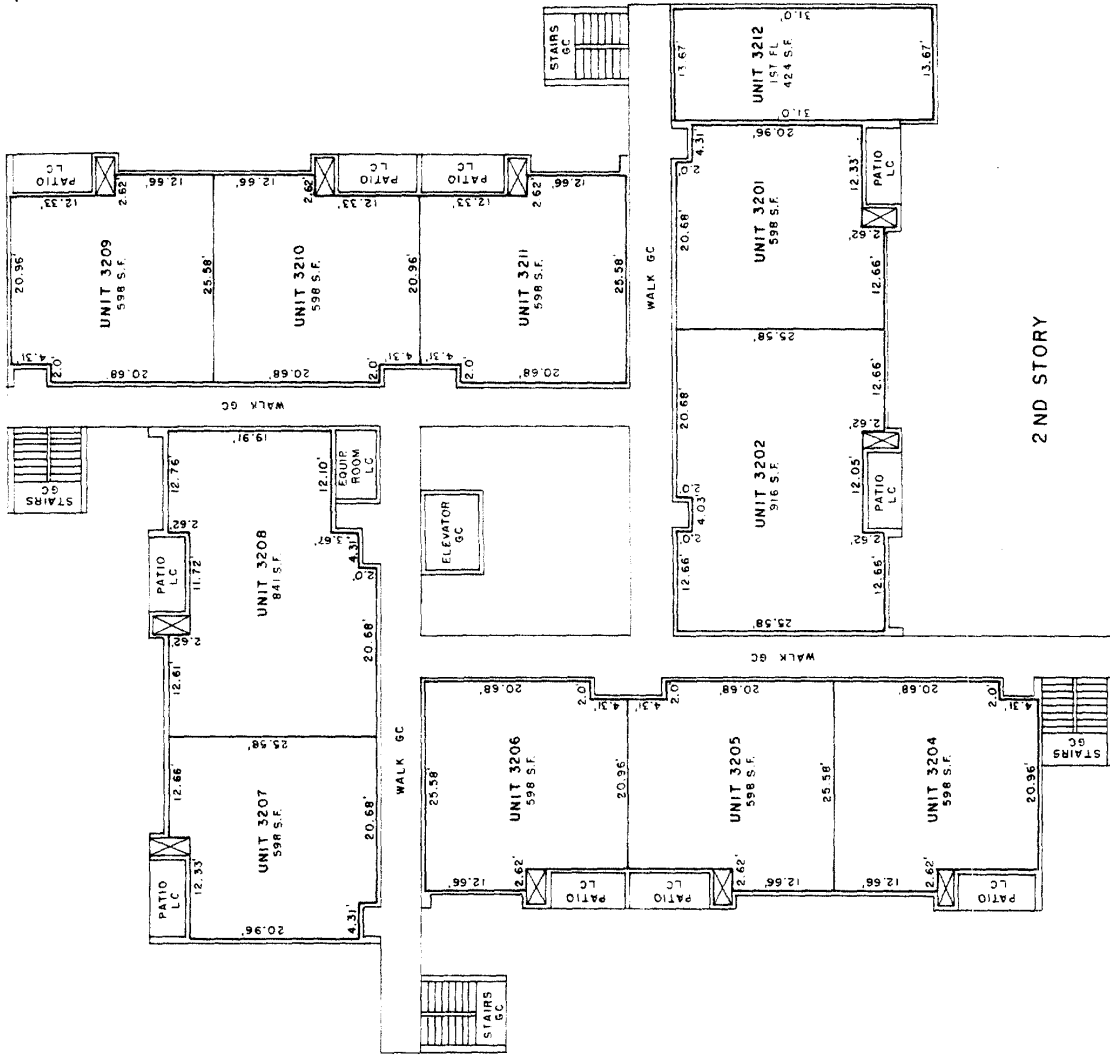


TALLWOOD CONDOMINIUMS

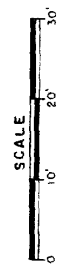
SHEET 8 OF 10 BUILDING 3

1ST STORY

Exhibit "B" pg 9

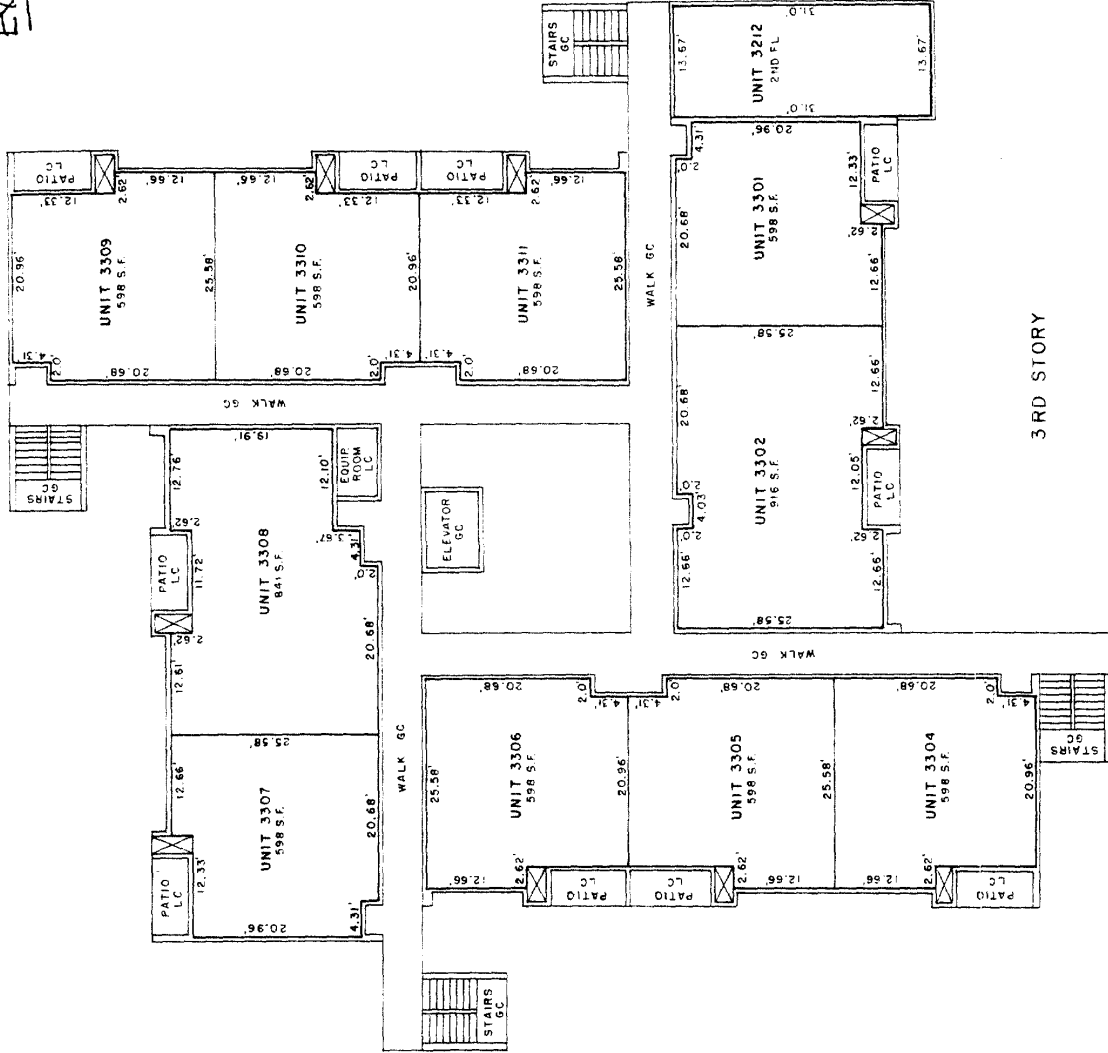


2ND STORY



TALLWOOD CONDOMINIUMS  
SHEET 9 OF 10 BUILDING 3

Exhibit "B" P. 10 of 10



3RD STORY



TALLWOOD CONDOMINIUMS

SHEET 10 OF 10 BUILDING 3

**EXHIBIT "C"**  
**SCHEDULE OF PERCENTAGE INTERESTS**

<b>UNIT NUMBER</b>	<b>BUILDING NUMBER</b>	<b>SQUARE FOOTAGE</b>	<b>PERCENTAGE INTEREST</b>
1101	1	598	0.98%
1102	1	916	1.51%
1104	1	598	0.98%
1105	1	598	0.98%
1106	1	598	0.98%
1107	1	598	0.98%
1108	1	841	1.38%
1109	1	598	0.98%
1110	1	598	0.98%
1111	1	598	0.98%
1201	1	598	0.98%
1202	1	916	1.51%
1204	1	598	0.98%
1205	1	598	0.98%
1206	1	598	0.98%
1207	1	598	0.98%
1208	1	841	1.38%
1209	1	598	0.98%
1210	1	598	0.98%
1211	1	598	0.98%
1301	1	598	0.98%
1302	1	916	1.51%
1304	1	598	0.98%
1305	1	598	0.98%
1306	1	598	0.98%
1307	1	598	0.98%
1308	1	841	1.38%
1309	1	598	0.98%
1310	1	598	0.98%
1311	1	598	0.98%
2102	2	916	1.51%
2103	2	916	1.51%
2105	2	598	0.98%
2106	2	598	0.98%
2107	2	598	0.98%
2109	2	916	1.51%
2110	2	841	1.38%
2111	2	598	0.98%
2112	2	598	0.98%
2113	2	598	0.98%
2202	2	916	1.51%
2203	2	916	1.51%
2205	2	598	0.98%
2206	2	598	0.98%
2207	2	598	0.98%



UNIT NUMBER	BUILDING NUMBER	SQUARE FOOTAGE	PERCENTAGE INTEREST
2209	2	916	1.51%
2210	2	841	1.38%
2211	2	598	0.98%
2212	2	598	0.98%
2213	2	598	0.98%
2302	2	916	1.51%
2303	2	916	1.51%
2305	2	598	0.98%
2306	2	598	0.98%
2307	2	598	0.98%
2309	2	916	1.51%
2310	2	841	1.38%
2311	2	598	0.98%
2312	2	598	0.98%
2313	2	598	0.98%
3101	3	598	0.98%
3102	3	916	1.51%
3104	3	598	0.98%
3105	3	598	0.98%
3106	3	598	0.98%
3107	3	598	0.98%
3108	3	841	1.38%
3109	3	598	0.98%
3110	3	598	0.98%
3111	3	598	0.98%
3201	3	598	0.98%
3202	3	916	1.51%
3204	3	598	0.98%
3205	3	598	0.98%
3206	3	598	0.98%
3207	3	598	0.98%
3208	3	841	1.38%
3209	3	598	0.98%
3210	3	598	0.98%
3211	3	598	0.98%
3212			
3301	3	598	0.98%
3302	3	916	1.51%
3304	3	598	0.98%
3305	3	598	0.98%
3306	3	598	0.98%
3307	3	598	0.98%
3308	3	841	1.38%
3309	3	598	0.98%
3310	3	598	0.98%
3311	3	598	0.98%
TOTAL		60,777	100.00%

**Exhibit "D"**

**ARTICLES OF INCORPORATION  
OF  
8888 TALLWOOD CONDOMINIUM  
HOMEOWNERS' ASSOCIATION, INC.**

**ARTICLE I  
NAME**

The name of the corporation is "8888 Tallwood Condominium Homeowners' Association, Inc."

**ARTICLE II  
NON-PROFIT**

The corporation is a non-profit corporation.

**ARTICLE III  
DURATION**

The period of its duration is perpetual.

**ARTICLE IV  
PURPOSES**

The purposes for which the Association is organized are to represent the interests of members of the Association relating to the 8888 Tallwood Condominium project in the City of Austin, Texas.

**ARTICLE V  
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 VI  
REGISTERED AGENT AND OFFICE**

The name of its initial registered agent is Wallace H. Scott, III, and the address of the initial registered office of the corporation is 1200 San Antonio, Austin, Texas 78701.

**ARTICLE VII  
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 Wallace H. Scott, III, whose address is 1200 San Antonio, Austin, Texas 78701, and H. M. Pike, Jr., whose address is 1200 San Antonio, Austin, Texas 78701.

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 VIII  
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 IX  
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) 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 X  
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 Section 501(c)(4) of the Internal Revenue Code of 1986, as amended.


**ARTICLE XI  
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 8888 Tallwood Condominium project in the City of Austin, Travis County, Texas.

**ARTICLE XII  
INCORPORATOR**

The Incorporator for the corporation is Wallace H. Scott, III, whose address is 1200 San Antonio, Austin, Texas 78701.

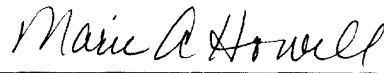
Dated: July 11, 2005.

  
Wallace H. Scott, III, Incorporator

STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS       §

This instrument was acknowledged before me on this 11th day of July, 2005, by Wallace H. Scott, III, Incorporator, who after being duly sworn, states that the foregoing information is true and correct.



  
Notary Public in and for  
the State of Texas

**Exhibit "E"**

**BYLAWS  
OF  
8888 TALLWOOD CONDOMINIUM**

**ARTICLE 1.**

**INTRODUCTION**

1.1 Purpose of Bylaws. These Bylaws provide for the governance of the condominium known as 8888 Tallwood Condominium, located in Travis County, Texas, subject to and more fully described in the Amended and Restated Declaration of Covenants, Conditions and Restrictions for 8888 Tallwood Condominium, to be recorded in the Official Public Records of Travis County, Texas (the "Declaration").

1.2 Parties to Bylaws. All present or future unit owners and all other persons who use or occupy the condominium in any manner are subject to these bylaws and the other governing documents as defined below. The mere acquisition or occupancy of a unit will signify that these bylaws are accepted, ratified, and will be strictly followed.

1.3 Definitions. Words and phrases defined in the declaration shall have the same meanings when used in these Bylaws. Unless defined otherwise in the declaration or in these Bylaws, words and phrases defined in Section 82.003 of the Texas Uniform Condominium Act ("TUCA") shall have the same meaning when used in these Bylaws. The following words and phrases shall have specified meanings when used in these Bylaws:

a. "Director" means a director of the Association.

b. "Governing documents" means, collectively, the declaration, these Bylaws, the articles of incorporation of the Association, and the rules and regulations of the Association, as any of these may be amended from time to time.

c. "Majority" means more than fifty percent (50%).

d. "Member" means a member of the Association, each member being a unit owner, unless the context indicates that member means a member of the board of directors or a member of a committee of the Association.

e. "Officer" means an officer of the Association. "President," "Secretary," "Treasurer," and "Vice-President" mean, respectively, the president, secretary and treasurer of the Association.

f. "Resident" means the occupant of a unit, whether or not such occupant is a unit owner.

1.4 Non-profit Purpose. The Association is not organized for profit.

1.5 Compensation. A director, officer, member or resident shall not be entitled to receive any pecuniary profit from the operation of the Association, and no funds or assets of the Association may be paid as a salary or as compensation to, or be distributed to, or inure to the benefit of a director, officer, member or resident; provided, however:

a. that reasonable compensation may be paid to a director, officer, member or resident for services rendered to the Association;

b. that a director, officer, member or resident may, from time to time, be reimbursed for his actual and reasonable expenses incurred on behalf of the Association in connection with the administration of the affairs of the Association, provided such expense has been approved by the board; and

c. that this provision does not apply to distributions to unit owners permitted or required by the declaration or TUCA.

1.6 General Powers and Duties. The Association, acting through the board, shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the condominium as may be required or permitted by the governing documents and State law. The Association may do any and all things that are lawful and which are necessary, proper, or desirable in operating for the best interests of its members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the governing documents.

## ARTICLE 2.

### **BOARD OF DIRECTORS**

2.1 Number and Term of Office. The board shall consist of at least two (2) but no more than seven (7) persons. Upon election, each director shall serve a term of one (1) year. A director takes office upon the adjournment of the meeting or balloting at which he is elected or appointed and, absent death, ineligibility, resignation, or removal, will hold office until his successor is elected or appointed. The number of directors may be changed by amendment of these Bylaws, but shall not be less than three (3).

2.2 Qualification. No person shall be eligible for election or appointment to the board unless such person is a member or an officer or partner of a member if the member is a corporation or partnership.

### EXAMPLES OF QUALIFICATION PROVISIONS

2.2.1. Entity Member. If a unit is owned by a legal entity, such as a partnership or corporation, any officer, partner or employee of that entity member shall be eligible to serve as a director and shall be deemed to be a member for the purposes of this section. If the relationship between the entity member and the director representing it terminates, that directorship shall be deemed vacant.

2.2.2. Co-Owners. Co-owners of a single unit may not serve on the board at the same time. Co-owners of more than one unit may serve on the board at the same time, provided the number of co-owners serving at one time does not exceed the number of units they co-own.

2.2.3. Delinquency. No member may be elected or appointed as a director if any assessment against the member or his unit is delinquent at the time of election or appointment. No member may continue to serve as a director if any assessment against the member or his unit is more than sixty (60) days delinquent.

2.3 Election. Directors shall be elected by the members. The election of directors shall be conducted at the annual meeting of the Association, at any special meeting called for that purpose, or by mail, facsimile transmission, or a combination of mail and facsimile transmission.

2.4 Vacancies. Vacancies on the board caused by any reason, except the removal of a director by a vote of the Association, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the board. Each director so elected shall serve out the remaining term of his predecessor.

2.5 Removal of Directors. At any annual meeting or special meeting of the Association, any one or more of the directors may be removed with or without cause by members representing at least two-thirds (2/3rds) of the votes present in person or by proxy at such meeting, and a successor shall then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting.

#### 2.6 Meetings of the Board.

2.6.1. Organizational Meeting of the Board. Within ten (10) days after the annual meeting, the directors shall convene an organizational meeting for the purpose of electing officers. The time and place of such meeting shall be fixed by the board and announced to the directors.

2.6.2. Regular Meetings of the Board. Regular meetings of the board may be held at such time and place as shall be determined, from time to time, by the board, but at least one such meeting shall be held each calendar year. Notice of regular meetings of the board shall be given to each director, personally or by telephone or written communication, at least three (3) days prior to the date of such meeting.

2.6.3. Special Meetings of the Board. Special meetings of the board may be called by the president or, if he is absent or refuses to act, the secretary, or by any two directors. Also, special meetings of the board may be called by ten (10) members. At least three (3) days notice shall be given to each director, personally or by telephone or written communication, which notice shall state the place, time and purpose of such meeting.

2.6.4. Conduct of Meetings. The president shall preside over all meetings of the board and the secretary shall keep, or cause to be kept, a record of all resolutions adopted by the board and a record of all transactions and proceedings occurring at such meetings. When not in conflict with law or the governing documents, the then current edition of Robert's Rules of Order shall govern the conduct of the meeting of the board.

2.6.5. Quorum. At all meetings of the board, a majority of directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the board. If less than a quorum is present at any meeting of the board, the majority of those present may adjourn the meeting from time to time. At any such reconvened meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

2.6.6. Open Meetings. Regular and special meetings of the board shall be open to members of the Association; provided that members who are not directors may not participate in any deliberations or discussion unless the board expressly so authorizes at the meeting. The board may adjourn any meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar or sensitive nature. The nature of any and all business to be considered in execution session shall first be announced in open session.

2.6.7. Telephone Meetings. Members of the board or any committee of the Association may participate in and hold meetings of the board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or conveyed.



2.6.8. Action Without a Meeting. Any action required or permitted to be taken by the board at meeting may be taken without a meeting, if all of the directors individually or collectively consent in writing such action. The written consent shall be filed with the minutes of the board. Action by written consent shall have the same force and effect as a unanimous vote.

2.7 Liabilities and Standard of Care. In performing their duties, the directors are required to exercise certain standards of care and are subject to certain liabilities, including but not limited to the following provisions of State law: Section 82.103(a) and (f) of TUCA, and Articles 1396-2.20.D., -2.25, -2.26, -2.28, -2.29, and -2.30 of the Corporation Act.

2.8 Powers and Duties. The board shall have all the powers and duties necessary for the administration of the Association and for the operation and maintenance of the condominium. The board may do all such acts and things except those which, by law or the governing documents are reserved to the members and may not be delegated to the board. Without prejudice to the general and specific powers and duties set forth in laws or the governing documents, or such powers and duties as may hereafter be imposed on the board by resolution of the Association, the powers and duties of the board shall include, but shall not be limited to, the following:

2.8.1. Appointment of Committees. The board, by resolution, may from time to time designate standing or ad hoc committees to advise or assist the board with its responsibilities. The resolution shall establish the purposes and powers of each committee created, provide for the appointment of its members, as well as a chairman, and shall provide for reports, termination and other administrative matters deemed appropriate by the board. Members of committees shall be appointed from among the owners and residents.

2.8.2. Manager. The board may employ a manager or managing agent for the Association, at a compensation established by the board, to perform duties and services authorized by the board.

2.8.3. Fines. The board may levy fines for each day or occurrence that a violation of the governing documents persists after notice and hearing, provided the amount of the fine does not exceed the amount necessary to ensure compliance with the governing documents.

2.8.4. Delinquent Accounts. The board may establish, levy, and collect reasonable late charges for members' delinquent accounts. The board may also establish a rate of interest to be charged on members' delinquent accounts, provided the rate of interest does not exceed eighteen percent (18%) or the maximum rate permitted by State law, whichever is smaller.

2.8.5. Fidelity Bonds. The board may require that all officers, agents and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds may be a common expense of the Association.

2.8.6. Ex-Officio Directors. The board may, from time to time, designate one or more persons as ex-officio members of the board, pursuant to Article 1396-2.14.F. of the Corporation Act.

### **ARTICLE 3.**

#### **OFFICERS**

3.1 Designation. The principal officers of the Association shall be the president, the secretary, and the treasurer. The board may appoint one or more vice-presidents and such other officers and assistant officers as it deems necessary. The president and secretary shall be directors. Other officers may, but need not, be members or directors. Any two offices may be held by the same person, except the offices of president and secretary. If an officer is absent or unable to act, the board may appoint a director to perform the duties of that officer and to act in place of that officer, on an interim basis.

3.2 Election of Officers. The officers shall be elected no less than annually by the directors at the organization meeting of the board and shall hold office at the pleasure of the board. Except for resignation or removal, officers shall hold office until their successors have been designated by the board.

3.3 Removal and Resignation of Officers. A majority of directors may remove any officer, with or without cause, at any regular meeting of the board or at any special meeting of the board called for that purpose. A successor may be elected at any regular or special meeting of the board called for that purpose. An officer may resign at any time by giving written notice to the board. Unless the notice of resignation states otherwise, it is effective when received by the board and does not require acceptance by the board. The resignation or removal of an officer who is also a director does not constitute resignation or removal from the board.

3.4 Standard of Care. In performing their duties, the officers are required to exercise the standards of care provided by Section 82.103(a) and (f) of TUCA and by Article 1396-2.20.D. of the Corporation Act.

#### 3.5 Description of Principal Offices.

3.5.1. President. As the chief executive officer of the Association, the president shall: (i) preside at all meetings of the Association and of the board; (ii) have all the general powers and duties which are usually vested in the office of president of a corporation organized under the laws of the State of Texas; (iii) have general supervision, direction and control of the business of the Association, subject to the control of the board; and (iv) see that all orders and resolution of the board are carried into effect.

3.5.2. Secretary. The secretary shall: (i) keep the minutes of all meetings of the board and of the Association; (ii) have charge of such books, papers and records as the board may direct; (iii) maintain a record of the names and addresses of the members for the mailing of notices; and (iv) in general, perform all duties incident to the office of secretary.

3.5.3. Treasurer. The treasurer shall: (i) be responsible for Association funds; (ii) keep full and accurate financial records and books of account showing all receipts and disbursements; (iii) prepare all required financial data and tax returns; (iv) deposit all monies or other valuable effects in the name of the Association in such depositories as may from time to time be designated by the board; (v) prepare the annual and supplemental budgets of the Association; (vi) review the accounts of the managing agent on a monthly basis in the event such managing agent is responsible for collecting and disbursing Association funds; and (vii) perform all the duties incident to the office of treasurer.

3.6 Authorized Agents. Except when the governing documents require execution of certain instruments by certain individuals, the board may authorize any person to execute instruments on behalf of the Association. In the absence of board designation, the president and the secretary shall be the only persons authorized to execute instruments on behalf of the Association.

#### **ARTICLE 4.**

##### **MEETINGS OF THE ASSOCIATION**

4.1 Annual Meeting. An annual meeting of the Association shall be held during the month of March of each year. At annual meetings the members shall elect directors in accordance with these Bylaws. The members may also transact such other business of the Association as may properly come before them.

4.2 Special Meeting. It shall be the duty of the president to call a special meeting of the Association if directed to do so by a majority of the board or by a petition signed by members representing at least twenty percent (20%) of the votes in the Association. Such meeting shall be held within thirty (30) days after the board resolution or receipt of petition. The notice of any special meeting shall state the time, place and purpose of such meeting. No business, except the purpose stated in the notice of the meeting, shall be transacted at a special meeting.

4.3 Place of Meetings. Meetings of the Association shall be held at the condominium or at a suitable place convenient to the members, as determined by the board.

4.4 Notice of Meetings. At the direction of the board, written notice of meetings of the Association shall be given to an owner of each unit at least ten (10) days but not more than sixty (60) days prior to such meeting. Notices of meetings shall state the date, time and place such meeting is to be held. Notices shall identify the type of meeting as annual or special, and shall state the

particular purposes of a special meeting. Notices may also set forth any other items of information deemed appropriate by the board.

4.5 Ineligibility. The board may determine that no member may (i) receive notice of meetings of the Association, (ii) vote at meetings of the Association, or (iii) be elected to serve as a director if the member's financial account with the Association is in arrears on the record dates provided below, provided each ineligible member shall be given notice of the arrearage and an opportunity to become eligible. The board may specify the manner, place and time for payment for purposes of restoring eligibility.

4.6 Record Dates.

4.6.1. Determining Notice Eligibility. The board shall fix a date as the record date for determining the members entitled to notice of a meeting of the Association. The record date may not be more than sixty (60) days before the date of a meeting of the Association at which members will vote.

4.6.2. Determining Voting Eligibility. The board shall fix a date as the record date for determining the members entitled to vote at a meeting of the Association. The record date may not be more than sixty (60) days before the date of a meeting of the Association at which members will vote.

4.6.3. Determining Rights Eligibility. The board shall fix a date as the record date for determining the members entitled to exercise any rights other than those described in the preceding two paragraphs. The record date may not be more than sixty (60) days before the date of the action for which eligibility is required, such as nomination to the board.

4.6.4. Adjournments. A determination of members entitled to notice of or to vote at a meeting of the Association is effective for any adjournment of the meeting unless the board fixes a new date for determining the right to notice or the right to vote. The board must fix a new date for determining the right to notice or the right to vote if the meeting is adjourned to a date more than ninety (90) days after the record date for determining members entitled to notice of the original meeting.

4.7 Voting Members List. The board shall prepare and make available a list of the Association's voting members in accordance with Art. 1396-2.11B of the Texas Non-Profit Corporation Act.

4.8 Quorum. At any meeting of the Association, the presence in person or by proxy of members entitled to cast at least fifty percent (50%) of the votes that may be cast for election of the board shall constitute a quorum. Members present at a meeting at which a quorum is present may

continue to transact business until adjournment, notwithstanding the withdrawal, during the course of the meeting, of members constituting a quorum.

4.9 Votes. The vote of members representing at least a majority of the votes cast at any meeting at which a quorum is present shall be binding upon all members for all purposes, except when a higher percentage is required by these bylaws, the declaration, or by law. There shall be no cumulative voting.

4.9.1. Co-Owned Units. If a unit is owned by more than one member, the vote appurtenant to that unit shall be cast in accordance with Section 82.110(a) of TUCA.

4.9.2. Corporation-Owned Units. If a unit is owned by a corporation, the vote appurtenant to that unit may be cast by any officer of the corporation in the absence of express notice of the designation of a specific person by the board of directors or bylaws of the owning corporation. The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The person presiding over a meeting or vote may require reasonable evidence that a person voting on behalf of a corporation or partnership is qualified to vote.

4.9.3. Association-Owned Units. Votes allocated to a unit owned by the Association shall be cast by the board of the Association.

4.10 Proxies. Votes may be cast in person or by written proxy. To be valid, each proxy shall (i) be signed and dated by a member or his attorney-in-fact; (ii) identify the unit to which the vote is appurtenant; (iii) name the person in favor of whom the proxy is granted, such person having agreed to exercise the proxy; (iv) identify the purpose or meeting for which the proxy is given; (v) not purport to be revocable without notice; and (vi) be delivered to the secretary or to the person presiding over the Association meeting for which the proxy is designated. Unless the proxy specifies a shorter or longer time, it shall terminate one year after its date. To revoke a proxy, the granting member must give actual notice of revocation to the person presiding over the Association meeting for which the proxy is designated. Unless revoked, any proxy designated for a meeting which is adjourned, recessed, or rescheduled shall be valid when such meeting reconvenes.

4.11 Conduct of Meetings. The president, or any person designated by the board, shall preside over meetings of the Association. The secretary shall keep, or cause to be kept, the minutes of the meeting which shall record all resolutions adopted and all transactions occurring at the meeting, as well as a record of any votes taken at the meeting. The person presiding over the meeting may appoint a parliamentarian. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the governing documents. Votes shall be tallied by tellers appointed by the person presiding over the meeting.

4.12 Order of Business. Unless the notice of meeting states otherwise, the order of business at meetings of the Association shall be as follows:

- Determine votes present by roll call or check-in procedure
- Announcement of quorum
- Proof of notice of meeting
- Reading and approval of minutes of preceding meeting
- Reports
- Election of directors (when required)
- Unfinished or old business
- New business

4.13 Adjournment of Meeting. At any meeting of the Association, a majority of the members present at that meeting, either in person or by proxy, may adjourn the meeting to another time.

4.14 Action Without Meeting. Subject to board approval, any action which may be taken by a vote of the members at a meeting of the Association may also be taken without a meeting by written consents. The board may permit members to vote by ballots delivered by hand, mail, facsimile transmission, or any combination of these. Written consents by members representing at least a majority of votes in the Association, or such higher percentage as may be required by the governing documents, shall constitute approval by written consent. This paragraph may not be used to avoid the requirement of an annual meeting. This paragraph shall not apply to the election of directors unless expressly permitted in paragraph 2.3.

4.15 Telephone Meetings. Members of the Association may participate in and hold meetings of the Association by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meetings shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

## **ARTICLE 5.**

### **RULES**

5.1 Rules. The board shall have the right to establish and amend, from time to time, reasonable rules, community policies and regulations for: (i) the administration of the Association and the governing documents; (ii) the maintenance, management, operation, use, conservation, and beautification of the condominium; and (iii) the health, comfort and general welfare of the residents; provided, however, that such rules may not be in conflict with law or the governing documents. The board shall, at all times, maintain the then current and complete rules in a written form which can be

copied and distributed to the members. Rules need not be recorded in the county real property records.

5.2 Adoption and Amendment. Any rule or community policy may be adopted, amended or terminated by the board, provided that the rule and the requisite board approval are properly recorded as a resolution in the minutes of the meeting of the board.

5.3 Notice and Comment. The board shall give written notice to an owner of each unit of any amendment, termination or adoption of a rule or community policy, or shall publish same in a newsletter or similar publication which is circulated to the members, at least ten (10) days before the rule's or policy's effective date. The board may, but shall not be required, to give similar notice to residents who are not members. Any member or resident so notified shall have the right to comment orally or in writing to the board on the proposed action.

5.4 Distribution. Upon request from any member or resident, the board shall provide a current and complete copy of rules and community policies. Additionally, the board shall, from time to time, distribute copies of the current and complete rules and community policies to an owner of each unit and, if the board so chooses, to non-member residents.

## **ARTICLE 6.**

### **ENFORCEMENT**

The violation of any provision of the governing documents shall give the board the right, after notice and hearing, except in case of an emergency, in addition to any other rights set forth in the governing documents:

- a. To enter the unit or limited common element in which, or as to which, the violation or breach exists and to summarily abate and remove, at the expense of the defaulting owner, any structure, thing, or condition (except for additions or alterations of a permanent nature that may exist in that unit) that is existing and creating a danger to the common elements contrary to the intent and meaning of the provisions of the governing documents. The board shall not be deemed liable for any manner of trespass by this action; or
- b. To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

## ARTICLE 7.

### **OBLIGATIONS OF THE OWNERS**

7.1 **Notice of Sale.** Any owner intending to sell his unit or any interest therein shall give written notice to the board of such intention, together with (i) the address or legal description of the unit being conveyed, (ii) the name and address of the intended purchaser, (iii) the name, address and phone number of the title company or attorney designated to close such transaction, (iv) names and phone numbers of real estate agents, if any, representing seller or purchaser, and (v) schedules date of closing. An owner shall furnish this information to the board no less than ten (10) working days before the date of conveyance of the unit or any interest therein.

7.2 **Proof of Ownership.** Any person, on becoming an owner of a unit, shall furnish to the board evidence of ownership in the unit, which copy shall remain in the files of the Association. A member shall not be deemed to be in good standing nor be entitled to vote at any annual or special meeting of the Association unless this requirement is first met. This requirement may be satisfied by receipt of a board-approved form that is completed and acknowledged by a title company or attorney at time of conveyance of the unit or any interest therein.

7.3 **Owners' Addresses.** The owner or the several co-owners of a unit shall register and maintain one mailing address to be used by the Association for mailing of monthly statements, notices, demands and all other communications. The owner shall keep the Association informed of the member's current mailing address. If an owner fails to maintain a current mailing address with the Association, the address of that owner's unit shall be deemed to be his mailing address.

7.4 **Registration of Mortgagees.** An owner who mortgages his unit shall furnish the board with the name and mailing address of this mortgagee.

7.5 **Assessments.** All owners shall be obligated to pay assessments imposed by the Association to meet the common expenses as defined in the declaration. A member shall be deemed to be in good standing and entitled to vote at any meeting of the Association if he is current in the assessments made or levied against him and his unit.

7.6 **Compliance with Documents.** Each owner shall comply with the provisions and terms of the governing documents, and any amendments thereto. Further, each owner shall always endeavor to observe and promote the cooperative purposes for which the condominium was established.

## ARTICLE 8.

### **ASSOCIATION RECORDS**

8.1 **Records.** The Association shall use its best efforts to keep the following records:



a. Minutes or a similar record of the proceedings of meetings of the Association. A recitation in the minutes that notice of the meeting was properly given shall be sufficient evidence that such notice was given.

b. Minutes or a similar record of the proceedings of meetings of the board.

c. Names and mailing addresses of the members, the currency and accuracy of the information being the responsibility of the members.

d. Names and mailing addresses of the mortgages, the currency and accuracy of the information being the responsibility of the members and their mortgagees.

e. Financial records and books of account for the Association, kept in a manner consistent with generally accepted accounting principles.

f. A copy of the plans and specifications used to construct the condominium, except for buildings originally constructed before January 1, 1995.

g. A copy of plans and specifications acquired by the Association over time for improvements to the condominium.

h. Copies of income tax returns prepared for the Internal Revenue Service.

i. Copies of the governing documents and all amendments to any of these. Also, for at least four (4) years, a record of all votes or written consents by which amendments to the governing documents were approved.

8.2 Inspection of Books and Records. Books and records of the Association shall be made available for inspection and copying pursuant to Section 82.114(b) of TUCA and Article 1396-2.23.B. of the Corporation Act.

8.3 Resale Certificates. Any officer may prepare or cause to be prepared, certify, and execute resale certificates in accordance with Section 82.157 of TUCA. The Association may charge a reasonable fee for preparing resale certificates. The Association may refuse to furnish resale certificates until the fee is paid. Any unpaid fees may be assessed against the unit for which the certificate is furnished.

## ARTICLE 9.

### NOTICES

9.1 Co-Owners. If a unit is owned by more than one person, notice to one co-owner shall be deemed notice to all co-owners.

9.2 Delivery of Notices. Any written notice required or permitted by these bylaws may be given personally, by mail, or by facsimile transmission. If mailed, the notice is deemed delivered when deposited in the U.S. mail addressed to the member at the address shown on the Association's records. If transmitted by facsimile, the notice is deemed delivered on successful transmission of the facsimile.

9.3 Waiver of Notice. Whenever any notice is required to be given to an owner, member, or director, a written waiver of the notice, signed by the person entitled to such notice, whether before or after the time stated in the notice, shall be equivalent to the giving of such notice. Attendance by a member or director at any meeting of the Association or board, respectively, shall constitute a waiver of notice by such member or director of the time, place and purpose of such meeting. If all members or directors are present at any meeting of the Association or board, respectively, no notice shall be required and any business may be transacted at such meeting.

## ARTICLE 10.

### AMENDMENTS TO BYLAWS

10.1 Proposals. These bylaws may be amended by the members according to the terms of this Article. The Association shall provide an owner of each unit with a detailed description, if not exact wording, of any proposed amendment. Such description shall be included in the notice of any annual or special meeting of the Association if such proposed amendment is to be considered at said meeting.

10.2 Consents. An amendment shall be adopted by the vote, in person or by proxy, or written consents of members representing at least a majority of the votes cast or present at a meeting for which a quorum is obtained.

10.3 Effective. To be effective, each amendment must be in writing, reference the names of the condominium and the Association, be signed by at least two officers acknowledging the requisite approval of members, and be delivered to an owner of each unit at least ten (10) days before the amendment's effective date. Further, if these bylaws are publicly recorded, the amendment must recite the recording data for the bylaws, be in a form suitable for recording as a real property record and be delivered to the county clerk for recordation.

ARTICLE 11.

**GENERAL PROVISIONS**

11.1 Conflicting Provisions. If any provision of these bylaws conflicts with any provision of the laws of the State of Texas, such conflicting bylaws provisions shall be null and void, but all other provisions of these bylaws shall remain in full force and effect. In the case of any conflict between the articles of incorporation of the Association and these bylaws, the articles shall control. In the case of any conflict between the declaration and these bylaws, the declaration shall control.

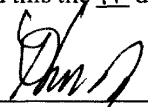
11.2 Severability. Invalidation of any provision of these bylaws, by judgment or court order, shall in no wise affect any other provision which shall remain in full force and effect. The effect of a general statement shall not be limited by the enumerations of specific matters similar to the general.

11.3 Fiscal Year. The fiscal year of the Association shall be set by resolution of the board, and is subject to change from time to time as the board shall determine. In the absence of a resolution by the board, the fiscal year shall be the calendar year.

11.4 Waiver. No restriction, condition, obligation, or covenant contained in these bylaws shall be deemed to have been abrogated or waived by reason of failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

I hereby certify that the foregoing is a true, complete and correct copy of the bylaws of 8888 Tallwood Condominium Homeowners Association, Inc., a Texas non-profit corporation, as adopted by the members at a special meeting on the 11<sup>th</sup> day of July, 2005.

IN WITNESS WHEREOF, I hereunto set my hand this the 11<sup>th</sup> day of July, 2005.

  
\_\_\_\_\_  
H. M. Pike, Jr., President

STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS       §

BEFORE ME, the undersigned authority, on this 11th day of July, 2005, personally appeared H. M. Pike, Jr., President of 8888 Tallwood Condominium Homeowner's Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same on behalf of the Association.



Marie A Howell  
Notary Public in and for the  
State of Texas

**EXHIBIT "F"**

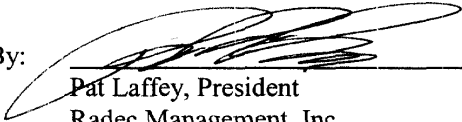
**MANAGEMENT CERTIFICATE  
Commencement Certificate for Condominium Project**

The undersigned Manager or management company gives notice that it has commenced management of the Association named below.

1. Exact name of owners association: 8888 Tallwood Condominium Homeowners' Association, Inc.
2. Name of project or subdivision: 8888 Tallwood Condominium
3. Address of project: 8888 Tallwood, Austin, Texas 78759
4. Exact name of declaration of covenants, conditions and restrictions:  
Declaration of Covenants, Conditions and Restrictions for 8888 Tallwood Condominium
5. Declaration recording data:  
Document No. \_\_\_\_\_, Official Public Records of Travis County, Texas
6. Name of managing agent: Radec Management, Inc.
7. Mailing address for managing agent: 1200 San Antonio, Austin, Texas 78701
8. Person to contact in management company: Pat Laffey
9. Managing agent's telephone: (512) 474-2900 Fax: (512) 474-4547

This certificate will be 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.

By: \_\_\_\_\_

  
Pat Laffey, President  
Radec Management, Inc.

STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS       §

This instrument was acknowledged before me on this 11th day of July, 2005,  
by Pat Laffey.



By: Marie A. Howell  
Notary Public in and for the  
State of Texas

## EXHIBIT "G"

### COMMUNITY POLICIES

1. Residential purposes. No part of the Property may be used for purposes other than housing and the related common purposes for which the Property was designed. Each Unit or 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:

- a. maintaining his personal, professional library;
- b. keeping his personal business or professional records or accounts;
- c. 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
- d. renting or leasing his Unit in strict compliance with the Declaration, Bylaws and Rules (Community Policies).

Common elements and Limited 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. Limited common elements shall be for the exclusive use of the Units that they serve.

Use Restrictions. Without limiting the generality of the restrictions of this section and previously recorded restrictions as provided in Section 2.10, use of the Project by the Unit Owners shall be subject to the following restrictions:

- a. Nuisances and safety. No unsafe, noxious, offensive, or illegal activity, or odor is permitted on the Property. 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 Property 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. Except for barbecue grills, no exterior fires are permitted. Discharging of firearms or fireworks are prohibited. Coal, oil and gas for heating, air conditioning, or cooking may not be used on the Property.
- b. Clothes drying. No exterior clothes drying in view of adjacent streets or any neighbors is permitted, except towels and bathing suits may be dried on the private balconies of each Unit.
- c. 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.

d. Animals. No animals are allowed on the Property except that Owners or their tenants are limited to not more than two common domestic pets. No wild animals are allowed. No animal shall be allowed to make an unreasonable amount of noise, or to become a nuisance, and no domestic animals will be allowed on the Property other than in the Unit of its Owner unless confined to a leash. No animal may be boarded for hire or remuneration on the Property, and no kennels or breeding operation will be allowed. No animal shall be allowed to run at large. Animals which are permitted shall be kept on a leash. Leashes may not be tied to objects visible from the street and must be held by a person who can control the animal at all times. The Owner of a Unit where an animal is housed has the responsibility to immediately clean up after such animal has defecated in Common Areas or on outside balconies, patios, enclosed courtyards or streets. If an animal or Unit Owner is in violation of these restrictions, the Declarant or Board may remove the animal from the Property and place the animal with the local humane society.

e. Liability for animals. The Unit Owner and the pet owner are both jointly liable to all other Owners and their respective families, guests, tenants and invitees for injury and all damage caused by any animals brought or kept on the Property by an Owner or members of his family, his tenants or his guests -- with or without permission of the Board. 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 Property, with or without the permission of the Board, by an Owner or members of his family, his tenants or his guests.

Dogs may not defecate anywhere on the Property except inside the Owner's Unit or in the Common Area. Used cat litter must be disposed of only in proper trash receptacles. It may not be dumped in flower beds because the ammonia will kill the vegetation. Owners must keep their dwellings in a sanitary condition and free from fleas, pet parasites and noxious odors. Unit Owners shall be liable for damage caused to common facilities by animals of the owner or the owner's tenants or guests. The Unit 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.

f. Signs. "For sale" or "for rent" signs and all other signs are absolutely prohibited and may not be exhibited anywhere on the property, 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.

g. Window coverings. All exterior windows shall be covered by 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.

h. Storage. 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. Storage of boxes and personal property in parking spaces is prohibited if such storage prevents the parking of the Owner's or occupant's vehicle(s). Nothing may be stored in Common Areas except in buildings or screened areas approved by the Board.



i. Vehicle repair. Except in an emergency when a vehicle is inoperable, no vehicle may be worked on or repaired 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.

j. Parking.

Parking of vehicles, motorcycles and bicycles in grass areas, dirt areas, flower beds or sidewalks is prohibited. Owners and occupants shall park vehicles in marked parking places in the paved parking areas.

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 dwellings. 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 Property.

Owners and occupants may not park more than two (2) vehicles per dwelling, on a permanent or regular basis. No boats or recreational vehicles may be parked or stored on the Property at any time without special written approval from the Board. Exterior parking may not be assigned except as determined by Declarant or to accommodate disabled persons.

Motorcycles and bicycles may not be parked on balcony walkways, underneath stairwells, or on patios. Bicycles must be stored inside the Units or on the private balconies of the Units.

Special requests for handicap parking in the Common Areas will be considered by the Board. Handicap parking signs must be honored.

Any construction of structured parking and Additional Units may require Unit owners, during construction, to temporarily park on adjacent property or streets.

Anti-theft alarms. Owners and occupants 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.

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.

Trash. Garbage or trash may be stored or thrown inside the disposal areas provided for such purposes. Trash receptacles provided by the Association must be used for disposal of garbage and trash.

Pest control. The Association does not have responsibilities for pest control inside the 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.

Lighting. all exterior lighting on the Project will be shielded and oriented up or down so that the cone of light is vertical, or a shielded or frosted glass lighting type. No additional exterior lighting may be installed without approval of 65% of the Association membership.

Antennas. No exposed exterior television or radio antennas or satellite dishes may be installed anywhere on the property.

No alterations. Except with the written consent of two-thirds (2/3rds) of the Association members, no Owner or other person shall make any alteration, modification or improvement to the Common Elements, including fences, trimming of trees or other vegetation; no additional exterior lighting, awnings, patio covers, or other devices may be added to the Common Elements; and no structure, equipment, or object may be added to or removed from the Common Elements by any Owner or other persons.

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

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.

No temporary structures. No structure of a temporary character, trailer, tent, shack, garage, barn or other outbuildings is permitted on the Property, 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 building of any building or other Common Elements.

Criminal activity. While on the Property, no person may violate any criminal laws, health codes or other applicable laws. No tampering with water, lighting, sprinklers, or other common elements equipment is allowed.

Persons who may use common areas. Common areas may be used only by Unit Owners and their tenants, family and guests.

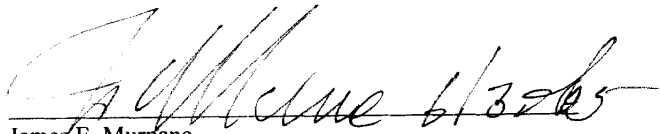
Leasing. Leasing of units is allowed only if: (a) all leases are subject to the provisions of the Declaration and community policies, (b) a copy of the then-current community policies are provided by the Owner to the Owner's tenant at the beginning of the lease term, and (c) the Owner and Tenant comply with all applicable community policies. See Section 4.4(I) and Exhibit "G."

**EXHIBIT "H"**

**CONSENT OF MORTGAGEE**

North Houston Bank, the holder of a lien encumbering the Units as created by a Deed of Trust executed by Sutton Arbor, LLC, the General Partner of 8888 Tallwood Partners, LP, consents to and approves of the Declaration of Covenants, Conditions and Restrictions for 8888 Tallwood Condominium.


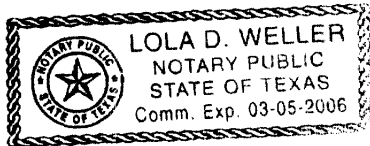
EXECUTED the 30<sup>th</sup> day of June, 2005.



James E. Murnane  
President and CEO  
North Houston Bank

STATE OF TEXAS           §  
  §  
COUNTY OF HARRIS       §

This instrument was acknowledged before me on this 30<sup>th</sup> day of June, 2005, by

  
\_\_\_\_\_  
Notary Public in and for the State of Texas

**FILED AND RECORDED**

OFFICIAL PUBLIC RECORDS



2005 Jul 12 01:31 PM 2005125022

KNOWLESR \$146.00

DANA DEBEAUVOIR COUNTY CLERK  
TRAVIS COUNTY TEXAS