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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
NORTHCAT VILLAS
A PLANNED UNIT DEVELOPMENT

Travis County, Texas

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Travis County, Texas

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 FOR
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3-61-5812

DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
NORTHCAT VILLAS
A PLANNED UNIT DEVELOPMENT

3-61-5813

This Declaration, made on the date hereinafter set forth by
SOUTHWEST CLASSIC PROPERTIES, INC., a Texas corporation (formerly
known as Southwest Classic Building Co.), hereinafter referred to
as "Declarant",

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the
County of Travis, State of Texas, which is more particularly de-
scribed as:

North Cat Mountain Section 3-A, a Planned
Unit Development more particularly described
in that plat of record in Book 84,
pages 67B-D, Travis County Plat Records.

WHEREAS, Declarant desires to create thereon a planned resi-
dential development containing permanent open spaces and other
common facilities for the benefit of said development; and,

WHEREAS, Declarant desires to provide for the preservation
of the values and amenities in said development and for the main-
tenance of said open spaces and other common facilities and to
this end, desires to subject the property herein described to the
covenants, restrictions, easements, charges and liens, hereinafter
set forth, each and all of which is and are for the benefit of
said property and each owner thereof; and,

WHEREAS, Declarant has deemed it desirable for the efficient
preservation of the values and amenities in said development, to
create a Homeowners' Association to which should be delegated and
assigned the powers of maintaining, administering, and enforcing
the covenants and restrictions and collecting and disbursing the
assessments and charges hereinafter created;

NOTICE:

THIS INSTRUMENT IS SUBJECT TO ARBITRATION
UNDER THE TEXAS GENERAL ARBITRATION ACT,
ARTICLES 224-238-6, REVISED CIVIL STATUTES OF
TEXAS, AS AMENDED

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NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I.

DEFINITIONS

3-61-5814

Section 1.01. "Association" shall mean and refer to the NORTHCAT VILLAS HOMEOWNERS' ASSOCIATION, INC., its successors and assigns.

Section 1.02. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot. The foregoing does not include any persons or entities who hold an interest in any Lot merely as security for the performance of an obligation. The term "Owner" shall not include a Builder.

Section 1.03. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 1.04. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot to a public purchaser is described as follows:

Lots 43-A, 43-B, and 44, NORTH CAT MOUNTAIN SECTION 3-A, a Planned Unit Development in Travis County, Texas, according to the map or plat of record in Book 84, page 67B, of the Plat Records of Travis County, Texas.

Section 1.05. "Lot" shall mean and refer to any plot of land identified by number upon the recorded subdivision map of the Properties with the exception of the Common Area, the General Use Areas, and dedicated parklands.

Section 1.06. "Declarant" shall mean and refer to SOUTHWEST CLASSIC PROPERTIES, INC., a Texas corporation, its successors and assigns if such successors or assigns should acquire all of SOUTHWEST CLASSIC PROPERTIES, INC.'s interest in the Properties.

Section 1.07. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 1.08. "Builder" shall mean any home builder, contractor, investor or other person or entity who purchases a lot in NORTHCAT VILLAS for the purpose of resale thereof to a public purchaser, or for the purpose of constructing improvements thereon for resale to a public purchaser, but shall not include the Declarant. 3-61-5815

Section 1.09. "Public Purchaser" shall mean the first person or entity other than the Declarant or a Builder who becomes an Owner of any lot within NORTHCAT VILLAS.

Section 1.10. "Single Family Residence" shall refer to a structure containing one dwelling unit only and occupied by not more than one family.

Section 1.11. "Board" shall refer to the Board of Directors of the Association.

Section 1.12. "Improvements" shall include, but shall not be limited to, the erection of, additions to, or alterations of any structure, including but not limited to any buildings, detached buildings, garages, carports, storage buildings, tool sheds, kennels, or greenhouses; the erection of any fence; the moving of any structure from another location to a lot; the grading, scraping, excavation, or other rearranging of the surface of any lot; the construction of any driveway, walkway, entryway, patio or other similar item; and the alteration or replacement of any exterior surface, including the repainting of any painted surfaces and the painting of formerly unpainted surfaces.

Section 1.13. "Zero Lot Line Wall" shall mean and refer to a wall of any single family residence which is built upon the common property line of two (2) lots, or of one (1) lot and any common area.

Section 1.14. "General Use Area" shall mean that area west of Cat Creek Run as shown upon the plat of the Properties on which is situated a swimming pool and related amenities. The General Use Area, and the amenities situated thereon are a part of the amenity package for the planned unit development, available to all and maintained and controlled by the Association. The General Use area is part of the Common Area.

Section 1.15. "Plat" shall mean and refer to the subdivision map of the Properties approved by the Planning Commission of the City of Austin and filed for record at Volume 84, pages 678-D, ³⁻⁰¹⁻⁵⁸¹⁶ Plat Records of Travis County, Texas.

ARTICLE II

PROPERTY RIGHTS IN THE COMMON AREA

AND GENERAL USE

Section 2.01. Owner's Easements of Enjoyment, Common Area.

Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area and to limit the number of guests of Members;

(b) the right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) the right of the Association to dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members and the governing body of such public agency, authority or utility. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such dedication, sale or transfer has been recorded.

(d) the right of the Association, in accordance with its Articles of Incorporation and Bylaws, to borrow money for the purpose of improving or maintaining the Common Area and in aid thereof, to mortgage said Common Area, and the rights of the Mortgagee in said Common Area shall be subordinate to the rights of the Owners hereunder. No such action shall be effective unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such action has been recorded;

(e) the right of the Association to make reasonable ³⁻⁶¹⁻⁵⁸¹⁷ rules and regulations regarding the use of the Common Area and any facilities thereon.

(f) the right of the Association to contract for services with third parties on such terms as the Association may determine to be in the best interests of the Association.

Section 2.02. Delegation of Use, Common Area. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on such Owner's Lot.

Section 2.03. Owner's Easements of Enjoyment, General Use Area. Every Owner shall have a right and easement of enjoyment in and to the General Use Area which is shared with each other Owner. Such right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the right of the Association to exercise the same controls over such area as are set out in Sections 2.01(a) through (e).

Section 2.04. Delegation of Use, General Use Area. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the General Use Area and facilities to the members of his family, his tenants, or contract purchases who reside on such Owner's Lot.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 3.01. Membership. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 3.02. Classes. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant who shall be entitled to three (3) votes for each Lot owned. 361-5818
Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or,

(b) three years from the filing date hereof in the Deed Records of Travis County, Texas.

Section 3.03. Builder's Rights and Duties. The following rules shall apply to Builders and Builder's rights in, and duties to, the Association:

(a) A Builder will have no vote in the affairs of the Association.

(b) From the first day of the month next following the date a Builder signs a contract with Declarant to purchase a Lot in NORTHCAT VILLAS, the Builder shall pay to the Association for each such Lot the same assessment as that paid by the Class B member.

(c) Until a deed is delivered by Declarant conveying legal title to a lot to a Builder, the Declarant shall have and exercise three (3) votes for each such Lot.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 4.01. Creation of the Lien and Personal Obligation of Assessment. The Declarant, for each Lot owned within the Properties,

except those exempt under Section 4.10, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements and deficits, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. The obligation to pay such assessments being part of the purchase price of each lot when sold to an Owner, an express Vendor's Lien is hereby retained to secure the payment thereof in each such instance and is hereby transferred and assigned to the Association, each such lien to be superior and paramount to any homestead or other exemption provided by law. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them, but, nevertheless, the lien as to any and all such assessments shall continue to be a lien upon any such lot as provided above.

Section 4.02. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties, for the improvement and maintenance of the Common Area and of the homes situated upon the Properties, for the improvement, maintenance and operation of the General Use Area, and for the lawful purposes of the Association.

Section 4.03. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual Class A Member assessment shall be \$1200.00 per year per lot, payable monthly in advance at the rate of \$100.00 per month. The maximum annual assessment for the Class B Member payable for each unsold, platted lot, shall be twenty-five percent (25%) of the assessment levied on Class A membership.

Even after the Class B membership has merged with the Class A, the Declarant shall still be subject to this reduced rate until conveyance of the last Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased by more than ten percent (10%) above the maximum assessment for the preceding year only by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board shall establish a maximum Annual Assessment and may fix the annual assessment at an amount not in excess of the maximum. The failure of the board to fix the annual assessment as provided above for any year shall not be deemed a waiver or a release of any Owner from the obligation to pay the annual assessment, but the annual assessment fixed for the preceding year shall continue until a new assessment is fixed.

Section 4.04. Special Assessments for Capital Improvements and Deficits. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment, applicable to that year only, for the purpose of (a) defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common or General Use Areas, including fixtures and personal property related thereto, or (b) defraying, in whole or in part, any deficit created by an excess of expenditures of the Association over receipts for the previous year provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 4.05. Notice and Quorum for Any Action Authorized Under Section 4.03 and 4.04. Written notice of any meeting called

for the purpose of taking any action authorized under Section 4.03 or 4.04 shall be sent to all members not less than 15 days nor more than 50 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

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Section 4.06. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may, at the option of the Board, be collected on a monthly basis; EXCEPT HOWEVER, the amount of the assessment to be paid by the Declarant as set out in Section 4.03 shall not be fixed at the uniform rate.

Section 4.07. Date of Commencement of Annual Assessments:
Due Dates. The annual assessments provided for herein shall commence as to the Lots on the first day of the month following the closing of the sale of each of said lots to an owner. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year, and shall be set by the Declarant pursuant to a budget promulgated by the Declarant. Thereafter, the Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 4.08. Effect of Nonpayment of Assessments: Remedies of the Association.

Any assessment not paid when due shall be immediately delinquent and shall, together with such interest and cost of collection as is hereinafter provided, immediately become a continuing lien on the property which shall, to the full extent permitted by law, bind such property in the hands of the then Owner, his heirs, devisees, personal representatives, successors and assigns. If the assessment is not paid within 30 days after the due (delinquent) date, the assessment shall bear interest from the due (delinquent) date at the rate of twelve percent (12%) per annum or at such other rate of interest as may from time to time be set by the Board, and the Association may either (1) bring an action at law against the Owner personally obligated to pay same, or (2) foreclose the lien against the property, or (3) both, and, in either event, there shall be added to the amount of each assessment, interest as provided and all costs of collection, including reasonable attorney's fees. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area, the General Use Area, or abandonment of his Lot.

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Section 4.09. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. No extinguishment of the lien shall relieve the delinquent Lot Owner from his personal obligation and liability therefor.

Section 4.10. Exempt Property. The following property subject to this declaration shall be exempt from the assessments, charges and liens created herein:

- (a) all properties dedicated to and accepted by any local governmental authority and devoted to public use;

- (b) all Common Area as defined in Section 1.04;
- (c) all additional Common Area which may be hereafter acquired through annexation;
- (d) the General Use Area as defined in Section 1.15.

Section 4.11. Declarant's Maintenance Option: In lieu of the payments provided for in Section 4.03 hereof, Declarant may, for so long as there be Class B membership, elect to perform the maintenance functions of the association. For so long as the Declarant elects to perform the maintenance functions, Declarant shall be excused from payment of the annual assessments for Class B members. The Association shall reimburse Declarant pro-rata for that part of the maintenance allocable to the Class A membership, pursuant to the budget provided for in Section 4.07. 3-61-5823

ARTICLE V.

ASSOCIATION MAINTENANCE AND SERVICES

Section 5.01. Common Area. The Association may, at any time, as to any Common Area conveyed, leased, or transferred to it, or otherwise placed under its jurisdiction, in the discretion of the Board, without the approval of the Owners being required:

(5.0101.) Reconstruct, repair, replace or refinish any improvement or portion thereof upon any such area (to the extent that such work is not done by a governmental entity, if any, responsible for the maintenance and upkeep of such area) in accordance with (a) the last plans thereof approved by the Board, or (b) the original plans for the improvement, or (c) if neither of the foregoing is applicable and if such improvement was previously in existence, then in accordance with the original design, finish, or standard of construction of such improvement as the same existed.

(5.0102.) Construct, reconstruct, repair, replace or refinish any road improvement, or surface upon any portion of the Common Area used as a road, street, walk, driveway or parking area.

(5.0103.) Replace injured and diseased trees, shrubs, or other vegetation in any such area and plant trees, shrubs and ground cover to the extent that the Board deems necessary for the conservation of soil and aesthetic purposes.

(5.0104.) Place and maintain upon any such area such signs as the Board may deem appropriate for the proper identification, use and regulation thereof.

(5.0105.) Do all such other and further acts which the Board deems necessary to preserve and protect the property and the beauty and utility thereof in accordance with the general purposes specified in this Declaration.

3-61-5824

Section 5.02. Damage or Destruction of Common Area by Owners.

In the event any Common Area is damaged or destroyed by the acts or omissions including negligent acts or omissions of an Owner or any of his guests, tenants, agents or employees, such Owner does hereby authorize the Association to repair said damaged area in a good, workmanlike manner in conformance with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently by the Association. The cost of such repairs shall be paid by said Owner, upon demand, to the Association, and the Association may enforce collection of same in the same manner as provided elsewhere in this Declaration for collection and enforcement of assessments.

Section 5.03. Rule-Making. The Board is empowered to promulgate general rules and regulations governing the use of and access to the Common Area and the General Use Area.

Section 5.04. Emergency Repairs. The Association shall have the continuing right to enter upon any Lot for the purpose of making emergency repairs necessary to protect the properties or any person from damage or harm. If any of such emergency repairs are the responsibility of the Lot Owner, he may be specially assessed for the cost of such emergency repairs.

Section 5.05. Exterior Maintenance, Lots. In the event an Owner of any Lot in the Properties shall fail to maintain the premises and the improvements situated thereon in a satisfactory manner as determined by the Board, then the Association, upon a vote of two-thirds (2/3) of the Board, shall have the right through its agents and employees, to enter upon said Lot and to repair, maintain and restore the Lot and the exterior of the buildings and

any other improvements situated thereon. The cost of such exterior maintenance shall be added to and become a part of the assessment to which such Lot is subject.

ARTICLE VI.

ENVIRONMENTAL CONTROL

Section 6.01. Construction of Improvements. Because ~~3-61-5825~~ maintenance of environmental and architectural harmony and unity is essential for preservation and enhancement of the value of the Lots and the harmonious functioning of the properties, no improvements may be constructed or erected on any Lot by anyone other than the Declarant without the prior written approval of the Environmental Control Committee appointed by the Association.

Section 6.02. Environmental Control Committee. The Board of Directors of the Association shall appoint an Environmental Control Committee composed of at least three (3) persons to review and approve or disapprove improvements proposed to be made by any Owner or Builder other than the Declarant. The Environmental Control Committee shall meet within 15 calendar days after an Owner or Builder has made application to it for approval, submitting at that time two (2) complete sets of plans and specifications detailing the proposed improvements, and including, specifically: (a) all proposed utility meter locations and methods of screening same; (b) the specific design of the zero lot line wall; (c) the design and location of any proposed fence; (d) a site plan locating all trees 6" in diameter or greater and identifying any tree or shrub which is proposed to be removed, and (e) the design and location of the mailbox. Prior to painting or repainting of any improvements on any lot, the Owner or Builder shall submit colors and color combinations to the Environmental Control Committee for approval hereunder. The Environmental Control Committee shall approve or disapprove all said proposed plans, in writing, within 30 calendar days after the meeting. In the event the Environmental Control Committee disapproves the proposed plans, it shall identify with particularity the features which caused the disapproval. Approval shall be conditioned upon completion of construction

within one (1) year after construction has been commenced. All decisions shall be made by a majority of the Environmental Control Committee. Should the Committee fail to take any action for 30 calendar days following the meeting, the proposed plans shall be considered approved.

ARTICLE VII

PERMITTED USES AND RESTRICTIONS

3-61-5826

Section 7.01. General Restrictions. The Lots shall be used solely for private single family residential purposes and there shall not be constructed or maintained thereon more than one single family residence with a covered parking facility for up to three (3) motor vehicles. No Lot may be used as an apartment house, duplex, flat, lodging house, hotel or for any business purpose.

Section 7.02. Set-back Requirements. All structures shall be set back from the front, rear and side Lot lines as follows:

(7.0201.) One wall of the residence structure to be built on any Lot may be built upon the side property line designated or shown on the plat as the "zero lot-line".

(7.0202.) All other set backs shall comply with the set-back lines shown upon the Plat.

Section 7.03. Zero Lot-Line Wall.

(7.0301.) No wall constructed on the zero lot line shall contain any doors or other openings, but shall be a solid wall on the side facing the structure situated on the Lot sharing the common boundary with the zero lot-line. Windows, skylights and other such openings installed by Declarant as part of the original improvements are not prohibited.

(7.0302.) The exterior design of the zero lot-line wall shall be submitted to the Environmental Control Committee as part of the submission of plans and specifications, and approval of such design, including the aesthetics thereof, shall be required before construction may begin.

(7.0303.) The structure and the zero lot-line wall shall be designed so that drainage shall be away from the zero lot line and directed to the front and rear of each Lot rather than to either side.

Section 7.04. Garages or Carports.

(7.0401.) There shall be constructed on each Lot, as an integral part of the residential dwelling, a garage for not less than two (2) nor more than three (3) automobiles.

(7.0402.) All garages shall be equipped with mechanical, radio controlled door openers.

(7.0403.) All garages with interiors visible from the Common Area, shall be kept in a neat, orderly fashion and the garage doors shall be closed except when required to be opened for entry or exit, or when actually in use. 3-61-5827

Section 7.05. Solar Panels. In the event an owner or builder desires to use solar panels on any unit to be built on any Lot, the location and installation design thereof shall be submitted to the Environmental Control Committee and approval by such Committee of such design, including the aesthetics thereof, shall be required before construction may begin.

Section 7.06. Minimum Building Size. No single family residential structure containing less than fourteen hundred square feet (1400 sq. ft.) of heated and/or air conditioned living area, measured to the exterior wall, exclusive of garages, porches, or decks shall be built on any Lot.

Section 7.07. Roofs.

(7.0701.) A built-up roof is permitted only on a structure with a flat roof.

(7.0702.) Except as provided in Section 7.0701, roofs shall be constructed of cedar shakes, asphalt or wood shingles, tile, slate, non-reflective metal, or other materials as approved by the Environmental Control Committee.

Section 7.08. Fireplace Flues. No metal fireplace flues shall be permitted if the same shall be visible from the Common Area.

Section 7.09. Tree, Shrub Overhang. No tree, shrub or planting of any kind on any Lot or the Common Area shall be allowed to overhang or otherwise encroach upon any sidewalk or other pedestrian way from ground level to a height of seven (7) feet without the prior approval of the Environmental Control Committee.

Section 7.10. Landscaping. Each Owner shall landscape all of his Lot not covered by buildings, sidewalks, pools, patio or parking including all set back areas. No tree over six inches (6") in diameter may be cut down without the prior written consent of the Environmental Control Committee. It shall be the duty of each Owner to keep all shrubs, trees, grass and plantings of every kind neatly trimmed, properly cultivated and free of trash and weeds. In the event any Owner fails to maintain his landscaped areas in a neatly trimmed, properly cultivated manner, as determined by the Board, and fails to keep such areas free from trash and weeds, the Association shall have the right at any reasonable time to enter upon any such Lot to plant, replace, maintain trim and cultivate such trees, grass or other plantings, or remove trash and weeds, and assess to the Owner the cost of such service. Notwithstanding any of the foregoing, however, the Board may, by majority vote, for the purpose of insuring a uniform and harmonious landscaping scheme within the development, elect to assume all landscaping and ground maintenance functions, or any portion thereof. In that event, landscaping and ground maintenance shall cease to be the responsibility of the individual Owner, but shall become a function of the Association.

Section 7.11. Replacement Structures. In the event any structure is destroyed or otherwise removed from any lot, any replacement structure shall be constructed in general conformity with the pre-existing structure, and in conformity with the other structures in the development. Article VI. hereof shall apply to replacement structures.

Section 7.12. Noxious Uses. The land and improvements on each Lot shall not be used so as to disturb the neighborhood or occupants of adjoining property, or to constitute a nuisance or to violate any public law, ordinance or regulation from time to time applicable thereto. Nor shall such land and improvements be used for any purpose which will create or emit any objectionable, offensive or noxious odors, dust, gas, fumes or other such material.

Section 7.13. Use of Common Area. The Common Area shall be used for access, recreational, social, utility easement and other purposes directly related to the private single family residential use authorized hereunder.

Section 7.14. Animals.

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(7.1401.) No animals or birds, other than a reasonable number of generally recognized house pets, shall be maintained on any Lot or the Common Area and then only if they are kept, or raised thereon solely as domestic pets and not for commercial purposes. No animal or bird shall be allowed to make an unreasonable amount of noise, or to become a nuisance. No structure for the care, housing, or confinement of any animal or bird shall be maintained so as to be visible from neighboring property or the Common Area. Upon the written request of any Owner, the Board of Directors of the Association shall conclusively determine, in its sole and absolute discretion, whether, for the purposes of this paragraph, a particular animal or bird is a generally recognized house pet, or a nuisance, or whether the number of animals or birds on any such property is reasonable.

(7.1402.) Except when a dog is under the immediate personal supervision and command of its Owner or handler, every dog shall be kept physically restrained from leaving the Lot of its Owner or handler. Permitting a dog to leave the premises of its Owner or handler while not under the personal supervision and command of said Owner or handler is hereby declared to be a nuisance.

Section 7.15. Antennas and Signals. No antenna, satellite dish, or other device for the transmission or reception of television signals, radio signals, or any other form of electromagnetic radiation shall be erected, used, or maintained on any Lot, whether attached to a building or structure or otherwise, without approval of the Environmental Control Committee. No radio signals, television signals or any other form of electromagnetic radiation shall originate from any Lot which may unreasonably interfere with the reception of television or radio signals on any other Lot.

Section 7.16. Temporary Occupancy. No trailer, basement of any incomplete building, tent, shack, garage or barn, and no temporary building or structure of any kind shall be used at any time for a residence, either temporary or permanent. Temporary buildings or structures used during the construction, repair or remodeling of a dwelling on any Lot shall be removed immediately after the completion of construction.

Section 7.17. Trailers, Boats and Motor Vehicles. No mobile home, trailer of any kind, truck, camper, motorized recreational

vehicle, permanent tent, or similar structure, boat or inoperable motor vehicle of any type shall be stored, maintained, constructed, reconstructed or repaired upon any Lot in such a manner as will be visible from neighboring property or the Common Area; PROVIDED HOWEVER, that the provisions of this paragraph shall not apply to emergency vehicle repairs or temporary construction shelters or facilities maintained during, and used exclusively in connection with, the construction of any improvement approved by the Environmental Control Committee. In addition, no motor vehicle of any type, whether operable or inoperable, may be constructed, reconstructed, or repaired upon any Lot or the Common Area in such a manner as will be visible from neighboring property or the Common Area. No such vehicle shall be parked on any street or private roadway for longer than 24 consecutive hours.

3-61-5830

Section 7.18. Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot or Common Area, and no odors shall be permitted to arise therefrom, so as to render any such property or portion thereof unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. No nuisance shall be permitted to exist or operate upon any such property so as to be offensive or detrimental to any other property in the vicinity thereof or to its occupants. Exterior noise-making or sound transmitting devices, including horns, bells, speakers, whistles shall not be used in such a manner as to disturb adjoining residents.

Section 7.19. Repair of Buildings. No improvements situated upon any Lot or the Common Area shall be permitted to fall into disrepair, and all such improvements shall at all times be kept in good condition and repair and adequately painted or otherwise finished.

Section 7.20. Trash Containers and Collection. No garbage or trash shall be placed or kept on any Lot or Common Area except in covered containers of a type, size and style which are approved by the Association, which may include the requirement that all containers will be disposable. In no event shall such containers be maintained so as to be visible from neighboring property except

to make the same available for collection and, then, only the shortest time reasonably necessary to effect such collection.

Section 7.21. Clothes Drying Facilities. Outside clothesline or other outside facilities for drying or airing clothes shall not be erected, placed or maintained on any Lot unless they are erected, placed and maintained exclusively within an approved fenced service yard or otherwise concealed and not visible from neighboring property or the Common Area.

Section 7.22. Right of Way. During reasonable hours, any member of the Environmental Control Committee, or member of the Board of Directors or any other representative of any of them, shall have the right to enter upon and inspect any Lot or Common Area for the purpose of ascertaining whether or not the provisions of these restrictions have been or are being complied with, and such persons shall not be deemed guilty of trespass by reason of such entry.

Section 7.23. Mineral Exploration. No Lot or Common Area shall be used in any manner to explore for or to remove any water, oil, or other hydrocarbon minerals of any kind, gravel, earth or any earth substance of any kind.

Section 7.24. Machinery and Equipment. Without the approval of the Association or Declarant, no machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Lot or Common Area except such machinery or equipment as is usual and customary in Travis County, Texas, in connection with the use, maintenance, or construction of a private residence or appurtenant structures or recreational facilities and roadways maintained by the Association; provided, however, such machinery or equipment may be placed, operated or maintained by any governmental, or quasi-governmental, agency or a public utility when performing its governmental functions.

Section 7.25. Diseases and Insects. No Owner shall permit any thing or condition to exist upon any Lot or Common Area which shall induce, breed, or harbor plant diseases, noxious insects, or vermin.

Section 7.26. Restriction on Further Subdivision. Except as provided in Article X hereof, no Lot shall be further subdivided by anyone except the Declarant and no portion less than all of any such Lot nor any easement or other interest therein shall be conveyed by any Owner, except, however, that easements may be granted to any governmental or quasi-governmental agency or a public utility. Any resubdivision of any Lot shall be carried out in accordance with Article X.

3-61-5832

Section 7.27. Signs. No signs whatsoever (movable or affixed), including, but not limited to, commercial, political and similar signs, which are visible from neighboring property shall be erected or maintained on any Lot except:

- (a) Such signs as may be required by law.
- (b) A residential identification sign of a combined total face area of seventy-two (72) square inches or less.
- (c) During the time of construction of any building or other improvement, one job identification sign not larger than eighteen (18) by twenty-four (24) inches in height and width and having a face area not larger than three (3) square feet.
- (d) A "for sale" or "for rent" sign, of a reasonable type, size and appearance, which is similar to other signs customarily used in Travis County, Texas, to advertise individual parcels of residential real property.

The content and location of all signs shall be subject to such rules as the Association may promulgate. The provisions of this paragraph shall not prevent Declarant from commencing, erecting, or maintaining structures or signs of any content or size on Lots owned by it or upon the Common Area when Declarant, in its sole discretion, deems it necessary or convenient to the development, sale, operation, or other disposition of the Lots.

Section 7.28. Waste. No waste shall be committed on any Lot or the Common Area.

Section 7.29. Sales Office. Nothing herein shall be construed as prohibiting Declarant, its officers, employees, or agents from inviting any person or the general public to enter any residence situated upon any Lot owned by Declarant with a view toward the

sale or lease thereof or from using any such residence as a model for the purpose of making a sale or sales or from maintaining a sales force (whether one or more) in or about any Lot owned by Declarant which remains unsold.

Section 7.30. Fences. Fences shall be constructed of masonry, wood, wrought iron or some combination thereof, with locations and materials to be approved by the Environmental Control Committee. Chain link fences are prohibited. 3-61-5833

Section 7.31. Improvement Location. The location of any improvement upon a Lot or the Common Area, must be approved by the Environmental Control Committee before such improvement may be constructed, irrespective of any setback requirements otherwise herein set forth.

ARTICLE VIII

EASEMENTS AND RIGHTS

Section 8.01. General Easement. The Declarant, so long as it retains record title to any Lot, and the Association, reserve the right and easement to the use of the Common Area and any Lot or any portion thereof, as may be needed for repair, maintenance or construction on such Lot or any other Lot or the Common Area.

Section 8.02. Crossover Easement. If the Declarant, or the Owner of any Lot must, in order to make reasonable repairs or improvements to a building on his Lot, enter or cross the Common Area or a Lot or another Owner, the Declarant or such Owner shall have an easement to do so; PROVIDED, that such User shall use the most direct, feasible route entering and crossing over such an area and shall restore the surface so entered or crossed to its original condition at such User's expense.

Section 8.03. Encroachment Easement. If any structure erected or reconstructed by Declarant, or by a Builder, or by an Owner with the approval of the Environmental Control Committee, shall encroach no more than thirty-six inches (36") on the Lot of an adjoining Owner, or ten (10) feet on the Common Area, then the encroaching Owner shall have an easement permitting the persistence of such encroachment.

Section 8.04. Overhang Easement. An overhang easement is reserved and granted to any Owner whose eaves, gutters, decks, or similar items overhang a reasonable distance on or above the Lot of another Owner, or the Common Area, PROVIDED that such overhang easement shall not exceed the distances permitted in Section 8.03.

Section 8.05. Blanket Easement. An easement is hereby retained in favor of Declarant and the Association over all Lots and the Common Area for the construction of a common cable television system, a common sprinkler system, or any other item for the common benefit of the Owners approved by a vote of two-thirds (2/3) of the members of each class voting thereon at a meeting called for such purpose. An easement is further granted for the purpose of repairing and maintaining any such system so constructed. An entry upon any Lot or the Common Area to effectuate the foregoing purposes shall not be deemed a trespass.

Section 8.06. Plat Easements. The easements referred to in Sections 8.01 through 8.05 inclusive are in addition to any easements noted on the face of the plat of NORTHCAT MOUNTAIN SECTION 3A, or on the face of the plat or site plan of NORTHCAT VILLAS Planned Unit Development.

ARTICLE IX

DEVIATIONS

Section 9.01. Deviations by Association. The Association may grant deviations from the restrictions set forth in Article VII. Such approval shall require the affirmative vote of two-thirds (2/3) of the Members of each class voting at a meeting duly called for this purpose.

ARTICLE X

RESUBDIVISION

Section 10.01. By acceptance of a deed, or by acquiring any ownership interest in any real property included within NORTHCAT VILLAS, each such Owner, for himself or itself, his heirs, personal representatives, successors, transferees and assigns, thereby grants unto the Declarant, and after Declarant has conveyed all Lots in NORTHCAT VILLAS, unto the Environmental Control Committee, a continuing irrevocable POWER OF ATTORNEY authorizing said Declarant

or Environmental Control Committee, to execute on behalf of each such Owner, any instrument necessary to vacate the plat of the properties, recorded in Book 84, page 67B of the Plat Records of Travis County, Texas and to file a new plat under the following conditions:

- a. That vacating said plat is required by any governmental entity having jurisdiction over the subdivision of such land in order to file a resubdivision plat of a part of any Lot.
- b. That the Owner(s) of the Lots whose boundaries are changed by the resubdivision and replatting have personally signed and acknowledged such vacation instrument and the successor subdivision plat.
- c. That none of the covenants, conditions and restrictions in force upon such land at the time of the vacation and replatting are removed or altered except in accordance with the method provided therefor in the document creating such restrictions.
- d. That a resubdivision plat will be filed in the Plat Records of Travis County, Texas, at the same time as the vacation instrument is filed in the Deed Records of Travis County, Texas.
- e. That the resubdivision plat will specifically adopt by reference the covenants, conditions and restrictions existing and in force on the land at the time the resubdivision plat is filed for record.
- f. That no Lot shown on the plat to be vacated will be significantly reduced in size, such significance to be determined by the Declarant or the Environmental Control Committee; PROVIDED, HOWEVER, that no change affecting less than ten percent (10%) of the area of any such Lot shall be deemed a significant reduction.
- g. That no Common Area will be lost as a result of any such resubdivision and replatting.

ARTICLE XI

GENERAL PROVISIONS

Section 11.01. Enforcement. The Declarant, the Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the

provisions of the Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 11.02. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 11.03. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first thirty (30) year period by an instrument signed by not less than eighty percent (80%) of the Lot Owners. After thirty (30) years, any section of this Declaration may be amended by an instrument signed by not less than two-thirds (2/3) of the Lot Owners. To be valid, any amendment must be recorded in the Deed Records of Travis County, Texas.

Section 11.04. Violations and Nuisance. Every act or omission whereby any provision of this Declaration is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action, by Declarant, the Association or any Owner.

Section 11.05. Acceptance of Declaration. By acceptance of a deed, or by acquiring any ownership interest in any real property included within this Declaration, each person or entity, for himself or itself, his heirs, personal representatives, successors, transferees and assigns, binds himself, his heirs, personal representatives, successors, transferees and assigns, to all of the provisions, restrictions, covenants, conditions, rules and regulations now or hereafter imposed by this Declaration or otherwise of record in the Deed Records of Travis County, Texas, and applicable to the properties, and any amendments thereof. In addition, each such person by so doing thereby acknowledged that this Declaration sets forth a general scheme for the improvement and development of the

real property covered thereby.

Section 11.06. Notices. All Notices given or required to be given by the Association to its Members shall be deemed to have been given if actually received and, whether or not actually received shall be deemed given when deposited in the United States Mail, postage prepaid and addressed to the Member at his address as it appeared on the books of the Association.

3-61-5837

Section 11.07. Complaints. If the Association determines that any Owner is in violation of any one or more of these covenants, or of any of his duties arising hereunder, it shall be the duty of the Association to notify said Owner in writing, identifying the provisions being violated and giving its reasons for such complaint. If the Owner fails to remedy the alleged violation within ten (10) days following delivery of such notice, the Association shall have the right to (a) institute appropriate legal action, or (b) submit the dispute to arbitration as provided in Article XII.

Section 11.08. Remedy of Violations. When a complaint has been finally upheld against an Owner, whether through arbitration, agreement or court action, the Owner in violation shall be notified of such fact and allowed thirty (30) days from the date of the notice to remedy the violation, unless some different time is specified in the notice. In the event the Owner fails or refuses to remedy the violation within the period provided therefor, the Association may (but shall not be required to) make the appropriate repairs, or take such steps as shall be necessary to remedy the violation and levy a special assessment against such Owner for the costs involved therein. The Association and its employees and agents shall have the right to enter upon the Lot owned by the violating Owner for the purpose of curing such violation.

Section 11.09. Declarant Exemption. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for Declarant to maintain, during the Construction and Sale Period, upon such portion of the premises as Declarant deems necessary, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the construction

and sale of said Residential Buildings. This shall include, but shall not be limited to, a business office, storage area, construction yards, model Units and sales office.

Section 11.10. FHA/VA Approval. For so long as there is Class B membership, the following action will require the prior approval of the FHA or VA; annexation of additional property, dedication of Common Area, and any amendments hereto. 3-51-5838

Section 11.11. Traffic Circle at Entrance. The circular drive at the entrance of NorthCat Villas between Cat Creek Trail and Cat Creek Run is a public right-of-way. To enhance the development and for the benefit of the residents thereof, the City of Austin has agreed and consented to the use of a decorative bominite surface and special landscaping thereon. The Association shall have and assume full responsibility for the maintenance of that surface and of the landscaping therein. In the event it becomes necessary to dig-up or otherwise disturb the surface of the said circle for purposes of repair or access to the subsurface, the Association shall immediately take action to coordinate with the City or other entity responsible for the construction activity for the repair and restoration of the surface of the circle. Should the Association fail or neglect to promptly coordinate with the City or other entity, the City or entity responsible for disruption of paving surface may make such repairs to the surface as it deems necessary or appropriate, using standard materials and specifications, and shall have no liability or obligation to restore the landscaping or the bominite surface. Should the Association elect to repair or restore the landscaping and bominite surface to its original state, the Association shall bear all costs thereof in excess of the normal cost to the City using standard non-decorative materials and repair techniques.

ARTICLE XII

ARBITRATION

Section 12.01. Required or Permitted Arbitration. Where any provisions of this Declaration shall permit or require that a dispute be submitted to arbitration, such arbitration shall proceed as provided in this Article.

Section 12.02. Rules. All arbitration shall be held in accordance with the rules of the TEXAS GENERAL ARBITRATION ACT as follows:

(12.0201.) One arbitrator shall be chosen by the complaining party.

(12.0202.) One arbitrator shall be chosen by the party against whom the complaint has been filed.

3-61-5839

(12.0203.) One arbitrator shall be chosen by the two arbitrators previously chosen.

(12.0204.) If either party fails or refuses to choose an arbitrator, within fifteen (15) days after notice that the dispute has been submitted to arbitration, then the other party may choose the second arbitrator.

(12.0205.) The arbitrators shall meet and issue a written decision to both parties within thirty (30) days after the transmission of the notice of submission to arbitration.

(12.0206.) The losing party shall pay all costs of the arbitration including the fees and expenses of the arbitrators and the costs and expenses, including attorney's fees, of the prevailing party.

Section 12.03. Remedy. The Owner against whom a complaint has been upheld shall remedy the violations as provided in Section 11.08 of this Declaration.

ARTICLE XIII

VACATION OF PRIOR DECLARATION

Section 13.01. Prior Declaration. On or about the 22nd day of April, 1982, Marlow R. Preston, as Declarant, caused to be recorded at Volume 7732, pages 533-566, Travis County Deed Records, a "Declaration of Covenants, Conditions and Restrictions Cat Mountain North Homeowners Association of Austin", which Declaration purports to be applicable to the real property subjected to this instant Declaration. Declarant Southwest Classic Properties, Inc., as the sole owner of all property in NorthCat Mountain Section 3-A, desires to vacate the said prior Declaration, and all amendments or supplements thereto and hereby declares the aforesaid prior Declaration to be vacated and deemed null and void.

EXECUTED this 1st day of November, 1983.

NO SEAL SOUTHWEST CLASSIC PROPERTIES, INC.

BY: Stephen A. Pyhrr
STEPHEN A. PYHRR, President

3-61-5840

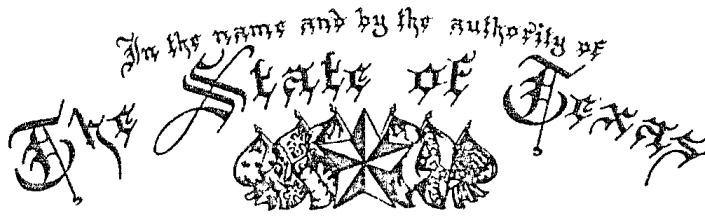
THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on November 1, 1983, by Stephen A. Pyhrr, President of Southwest Classic Properties, Inc., a Texas corporation, on behalf of said corporation.

NOTARY SEAL

Charlyne L. Rogers
Notary Public, State of Texas
Print Name: Charlyne L. ROGERS
My Commission Expires: Nov. 4, 1984

(SEAL)



OFFICE OF THE SECRETARY OF STATE
CERTIFICATE OF INCORPORATION
OF

3-61-5841

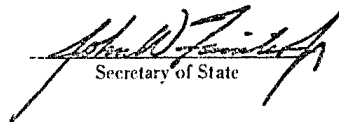
NORTHCAT VILLAS HOMEOWNERS ASSOCIATION, INC.
CHARTER NO. 693917

The undersigned, as Secretary of State of the State of Texas, hereby certifies that duplicate originals of Articles of Incorporation for the above corporation duly signed and verified pursuant to the provisions of the Texas Non-Profit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Secretary of State, and by virtue of the authority vested in him by law, hereby issues this Certificate of Incorporation and attaches hereto a duplicate original of the Articles of Incorporation.

Dated MAR. 01, 19 84




Secretary of State

MLH

ARTICLES OF INCORPORATION
OF
NORTHCAT VILLAS
HOMEOWNERS ASSOCIATION, INC.

FILED
In the Office of the
Secretary of State of Texas

MAR 01 1984

Clerk D
~~Secretary of State~~

We, the undersigned natural persons of the age of twenty-one or more, all of which are citizens of the State of Texas acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE I.

The name of the corporation is NORTHCAT VILLAS HOMEOWNERS ASSOCIATION, INC.

3-61-5842

ARTICLE II.

The corporation is a non-profit corporation and shall have all the powers specified hereinafter or in the Texas Non-Profit Corporation Act.

ARTICLE III.

The period of it's duration is perpetual.

ARTICLE IV.

The purpose or purposes for which this corporation is organized are: The corporation shall provide for the administration, operation, management, maintenance, preservation and control of the NorthCat Villas Planned Unit Development in Travis County, Texas; shall exercise the powers and perform the duties imposed upon it by the Declaration of Covenants, Conditions, and Restrictions for NorthCat Villas Planned Unit Development; shall hold the common area thereof for the use and enjoyment of the owners; and shall be empowered to do any other thing necessary or desirable in the opinion of the Board of Directors for the efficient preservation and advancement of the quality of life in the said development. The statement of the corporate powers and purposes shall be broadly construed to effectuate the corporate purposes. The corporation through its Board of Directors is empowered to prepare, promulgate and amend, from time to time, By-laws for the efficient execution of its powers, duties and purposes. Such By-laws shall have full force and effect in every area not inconsistent with these Articles, the Declaration of Covenants, Conditions, and Restrictions for NorthCat Villas

Planned Unit Development, or the Texas Non-Profit Corporation Act.

ARTICLE V.

The corporation shall operate pursuant to Internal Revenue Code of 1954 (as amended) Section 528, and shall meet the income and expenditure test as set forth therein.

ARTICLE VI.

The street address of the initial registered office of the corporation is 825 West 24th Street, Austin, Texas. The name of its initial agent at such address is Stephen A. Pyhrr. 3-61-5843

ARTICLE VII.

The number of Directors constituting the initial Board of Directors of the corporation is three. The names and addresses of the persons who are to serve as initial Directors are:

Stephen A. Pyhrr, 825 West 24th Street, Austin, Texas.

Vernon R. Baker, 825 West 24th Street, Austin, Texas.

Robert J. Lee, 825 West 24th Street, Austin, Texas.

ARTICLE VIII.

The name and address of each incorporator is:

Stephen A. Pyhrr, 825 West 24th Street, Austin, Texas.

Vernon R. Baker, 825 West 24th Street, Austin, Texas.

Robert J. Lee, 825 West 24th Street, Austin, Texas.

In witness whereof we have hereunto set our hands this the

22nd day of February 1984.

Stephen A. Pyhrr
STEPHEN A. PYHRR

Vernon R. Baker
VERNON R. BAKER

Robert J. Lee
ROBERT J. LEE

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THE STATE OF TEXAS X
COUNTY OF TRAVIS X

I, Charlyne L. Rogers, a Notary Public, do hereby certify that on this the 22nd day of February, 1984, personally appeared before me STEPHEN A. PYHRR, VERNON R. BAKER, and ROBERT J. LEE, each being by me duly sworn, severally declared that they are persons who signed the foregoing document as incorporators, and that the statements therein contained are true.

3-61-5844

Charlyne L. Rogers

Notary Public, State of Texas
Print Name: Charlyne L. Rogers
My Commission Expires: Nov. 4, 1984

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3-61-5845

BYLAWS
OF
NORTHCAT VILLAS
HOMEOWNERS' ASSOCIATION, INC.

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3-61-5846

BYLAWS
OF
NORTHCAT VILLAS
HOMEOWNERS' ASSOCIATION, INC.

The administration of NorthCat Villas, a planned unit development, and of the NorthCat Villas Homeowners' Association, Inc., a Texas Non-Profit Corporation, shall be governed by the Declaration of Covenants, Conditions and Restrictions for NorthCat Villas, a Planned Unit Development, by the Articles of Incorporation, and by these Bylaws.

ARTICLE I. Application of Bylaws

3-61-5847

All present and future owners, mortgagees, lessees and occupants of NorthCat Villas PUD and their employees, guests, and any other persons who may use the facilities of the property in any manner are subject to the Declaration, these Bylaws and all rules made pursuant hereto and any amendments hereof. The acceptance of a deed or conveyance or the entering into of a lease or the act of occupancy of a lot shall constitute an agreement that the provisions of the Declaration and these Bylaws and any rules and regulations made pursuant hereto, as they may be amended from time to time, are accepted, ratified and will be complied with.

ARTICLE II. Board of Directors

Section 1. The management and maintenance of the property and the administration of the affairs of the Association shall be conducted by a Board of Directors consisting of five natural persons each of whom must be owners, or spouses of owners.

Section 2. Beginning with the first annual meeting and at every annual meeting thereafter, the Association shall elect the members of the Board to fill those positions becoming vacant at such meeting. At least thirty days prior to any annual meeting of the Association, the Board shall elect from the owners a nominating committee of not less than three members, none of whom shall be members of the then Board. At least ten days prior to the meeting the nominating committee shall recommend to the Association nominee(s) for each position on the Board to be filled at that particular annual meeting. Nominations for positions on the Board may also be made by petition filed with the secretary of the Association at least ten days prior to such meeting, which petition shall be signed by ten or apartment owners and signed by the nominee named therein indicating his willingness to serve as a member of the Board, if elected.

Section 3. Those members of the Board elected at the first annual meeting of the Association shall be elected and serve for staggered terms, as follows: two members shall be elected for one year terms; two members shall be elected for two year terms; and one member shall

be elected for a three year term. Upon the expiration of these initial terms of office, each member of the Board shall be elected and serve for terms of three years beginning immediately upon their election by the Association. The members of the Board shall serve until their respective successors are elected, or until death, resignation or removal. Any member of the Board who fails to attend three consecutive Board meetings or fails to attend at least 75% of the Board meetings held during any fiscal year shall be deemed to have tendered his resignation and, upon acceptance by the Board, his position shall be vacant.

Section 4. Any member of the Board may resign at any time by giving written notice to the president of the Board or remaining Board members. Any member of the Board may be removed from membership on the Board by a majority vote of the Association or vote of three Board members. Whenever there shall occur a vacancy on the Board due to death, resignation, removal or any other cause, the remaining Board members shall elect a successor member to serve until the next annual meeting of the Association, at which meeting said vacancy shall be filled by the Association.

Section 5. The members of the Board shall receive no compensation for their services; provided, however, that any member of the Board may be employed by the Association in another capacity and receive compensation for such employment; provided further, that such employment shall be approved by vote or in writing by three members of the Board not including the member to be employed.

Section 6. The Board, for the benefit of the property and the Association, shall manage the business, property and affairs of the property and the Association and enforce the provisions of the Declaration, these Bylaws, the Association rules and the administrative rules and regulations governing the property. The Board shall have the powers, duties and responsibilities with respect to the property as contained in the Declaration, the Articles of Incorporation, and these Bylaws, and all other powers reasonable, necessary or appropriate to the efficient performance of the functions and duties of the Association.

Section 7. A regular meeting of the Board shall be held without other notice than these Bylaws immediately after, and at the same place as, the annual meeting of members. The Board may provide by resolution the time and place within Travis County, Texas, for the holding of additional regular meetings without other notice than such resolution. Four members of the Board shall constitute a quorum, and, if a quorum is present, the decision of a majority of those present shall be the act of the Board. The Board shall elect from its number a president who shall preside over both its meetings and those of the Association. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt. The Board may also act without a meeting by unanimous written consent of its members.

Section 8. Special meetings of the Board of Directors may be called by or at the request of the president or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place within the City of Austin, Texas, as the place for holding any special meeting of the Board of Directors called by them.

Section 9. Regular meetings of the Board may be held without call or notice provided the time and place for such meetings has been duly adopted by the board or otherwise provided by these Bylaws. 8501-5849

Section 10. Any member of the Board may, at any time, waive notice of any meeting of the Board in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at a meeting shall constitute a waiver of notice to him of such meeting unless such Board member attends the meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called. If all the members of the Board are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. After the election of the members of the Board at the first annual meeting of the Association, Declarant shall execute, acknowledge an affidavit stating the names of the members of the newly elected Board, and incorporate same into the minutes of the Board. Thereafter, any three persons who are designated as being members of the most recent Board, whether or not they shall still be members, may execute and acknowledge an affidavit stating the names of all of the members of the then current Board. The most recently dated of such affidavits shall be prima facie evidence that the persons named therein are all of the incumbent members of the Board and shall be conclusive evidence thereof in favor of all persons who rely thereon in good faith.

Section 12. The fiscal year of the Association shall be determined by the Board.

ARTICLE III. Meetings of the Association

Section 1. The first regular meeting of the Association shall be held within sixty days after all lots have been sold by Declarant or at such earlier time as Declarant may deem appropriate. Thereafter there shall be an annual meeting of the Association on the same day of each year at the property or at such other reasonable place or time not more than thirty days before or after such date as may be designated by written notice by the Board delivered to the owners not more than twenty days prior to the date set for said meeting. At or prior to an annual meeting, the Board shall furnish to the owners (i) a list of names of the nominees for the positions on the Board to be filled at the meeting, (ii) a budget for the coming fiscal year which shall itemize the estimated common expenses for the coming fiscal year with the estimated allocation thereof to each apartment owner, and (iii) a statement of the common expenses itemizing receipts and disbursements for the previous and current fiscal year, together with the allocation

thereof to each owner. Within ten days after the annual meeting, the budget and the statement of common expenses shall be delivered to all owners who were not present at the annual meeting. Delivery shall be complete when mailed, first class postage prepaid, to each unit in the development, or to such other address as the owner thereof may designate in writing.

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Section 2. Special meetings of the Association may be held at any time at the property or at such other place as determined reasonable by the Board to consider matters which, by the terms of the Declaration, require the approval of all or some of the owners or for any other reasonable purpose. Special meetings shall be called by written notice signed by a majority of the Board or by owners not less than ten days prior to the date fixed for said meeting. Such notice shall specify the date, time and place of the meeting, and the matters to be considered.

Section 3. The presence in person or by proxy of owners holding Fifty-One percent (51%) of the undivided interests in the property at any meeting of the Association held in response to notice to all owners of record properly given shall constitute a quorum. In the event that Fifty-One percent (51%) of the undivided interests of the owners is not present in person or by proxy, the meeting shall be adjourned for 24 hours, after which time it shall reconvene and any number of owners present at such subsequent meeting shall constitute a quorum. Unless otherwise expressly provided in the act, the Declaration or these Bylaws, any action may be taken at any meeting of the owners upon a majority vote of the owners who are present in person or by proxy and who are voting, as provided in the Declaration.

Section 4. Robert's Rules of Order (current edition) shall govern the conduct of the Association's meetings when not in conflict with the Declaration or these Bylaws.

ARTICLE IV. Officers

Section 1. All officers and employees of the Association shall serve at the will of the Board. The officers shall be a president, vice-president, secretary and treasurer. No two offices except the offices of secretary and treasurer may be held by the same person. The Board may appoint such other assistant officers as the Board may deem necessary. All officers shall be members of the Board. No officer shall receive compensation for serving as such. Officers shall be annually elected by the Board and may be removed and replaced by the Board. The Board may, in its discretion, require that officers (and other employees of the association) be subject to fidelity bond coverage.

Section 2. The president shall be the chief executive of the Board and shall preside at all meetings of the Association and of the Board and may exercise the powers ordinarily allocable to the presiding officer of an Association, including the appointment of committees. The president shall exercise general supervision over the property and

its affairs. He shall sign on behalf of the Association any conveyances, mortgages and contracts of material importance to its business. He shall do and perform all acts which the Board may require.

Section 3. The vice-president shall perform the functions of the president in his absence or inability to serve.

Section 4. The secretary shall keep minutes of all proceedings of the Board and of the meetings of the Association and shall keep such books and records as may be necessary and appropriate for the records of the apartment owners and the Board.

Section 5. The treasurer shall be responsible for the fiscal affairs of the Association, but may delegate, with the Board's concurrence, the daily handling of funds and the keeping of records to a manager or managing company.

ARTICLE V. Common Expenses: Assessments 3-61-5851

Section 1. All assessments shall be made in accordance with the Declaration.

Section 2. Prior to the annual meeting of the Association, the Board shall estimate the common expenses and capital contributions for the coming fiscal year. Subject to the provisions of the Declaration, the estimated capital contributions may include such amounts as the Board may deem proper for general working capital, for the general operating reserve, for a reserve fund for replacements and major maintenance; and shall take into account an expected income, surplus or deficit in the common expenses for any prior year. These estimated capital contributions and common expenses shall be presented at the annual meeting and thereafter shall be assessed on a monthly basis to the owners in proportion to their percentage of undivided interest in the common elements as set forth in the Declaration. If the estimated common expenses prove inadequate for any reason, including nonpayment of any owner's assessments, the Board may, by resolution duly adopted, make additional assessments, which shall be assessed to the owners in the same manner as the estimated common expenses. Each owner shall be obligated to pay to the Board assessments made pursuant to this paragraph on or before the first day of each month, or in such other reasonable manner and time as the Board shall designate. The funds received by the Board from assessments for common expenses and capital contributions shall be kept in either capital accounts or in the common expense fund and shall be expended by the Board only in accordance with the provisions of the act, the Declaration and these Bylaws.

Section 3. The failure by the Board before the expiration of any fiscal year to estimate the common expenses as required herein shall not be deemed a waiver or modification in any respect of the provisions of the Declaration or these Bylaws or a release of the owner from the obligation to pay any past or future assessments, and the estimated common expenses and capital contributions fixed for the previous and current year shall continue until a new estimate is made.

Section 4. No owner may exempt himself from liability for common expenses by waiver of the use or enjoyment of any of the common elements or by abandonment of his lot.

Section 5. The treasurer shall keep detailed records of all receipts and expenditures, including expenditures affecting the common elements, specifying and itemizing the maintenance, repair and replacement of expenses of the common elements and any other expenses incurred. Such records shall be available for examination by the owners during regular business hours. In accordance with the actions of the Board assessing common expenses against the owners, the treasurer shall keep an accurate record of such assessments and payments thereof by each owner.

Section 6. All assessments shall be a separate, distinct and personal liability of each owner at the time each assessment is made. The Board shall have the rights and remedies contained in the Declaration to enforce the collection of such assessments, and any other rights and remedies available to it at law or in equity.

Section 7. Any person who shall have entered into a written agreement to purchase a lot shall be entitled to obtain a written statement from the treasurer setting forth the amount of unpaid assessments charged against the lot and its owners, and if such statement does not reveal the full amount of the unpaid assessments as of the date it is rendered, neither the purchaser nor the lot shall be liable for the payment of an amount in excess of the unpaid assessments shown thereon, provided that the former owner shall remain so liable. Any such excess which cannot be promptly collected from the former owner-grantor shall be reassessed by the Board as a common expense to be collected from all owners, included without limitation the purchaser of the lot, his successors and assigns. The new owner shall, and the former owner shall not, be liable for any assessments made after the date of transfer of title of a lot, even though the common expenses and such other expenses incurred or the advances made by the Board for which the assessment is made relate in whole or in part to any period prior to that date.

Section 8. In addition to the statements issuable to purchasers of lots, the Board shall provide to the owner, to any person who shall have entered into a binding agreement to purchase the lot and to any mortgagee on request at reasonable intervals a current statement of unpaid assessments for common expenses and for any expenses of and advances by the Board with respect to the lot.

Section 9. In all cases where all or part of any assessments for common expenses and for any expenses of and advances by the Board cannot be promptly collected from the persons or entities liable therefor under the act, the Declaration or these Bylaws, the Board shall reassess the same as a common expense without prejudice to its rights of collection against such persons or entities and without prejudice to its lien for such assessments.

Section 10. Amendments to this Article V shall be effective only upon unanimous written consent of the owners and their mortgagees. However, the provisions of the Declaration relating to this Article V may be amended as provided by the Declaration.

ARTICLE VI. Voting

Each lot shall be entitled to one vote at any and all meetings of the members.

ARTICLE VII. Litigation

Section 1. If any action is brought by a member of the Board on behalf of the Association and recovery is had, the plaintiff's expenses, including reasonable attorneys' fees, shall be a common expense; provided, however, that if such action is brought against the owners or against the Board or the officers, employees, or agents thereof in their capacities as such, with the result that the ultimate liability asserted would, if proved, be borne by all the owners, the plaintiff's expenses, including attorneys' fees, shall not be charged to or borne by the other owners, as a common expense or otherwise.

Section 2. Any action brought against the Association, the officers or the officers, employees or agents thereof, in their respective capacities as such, or the property as a whole, shall be directed to the Board, which shall promptly give written notice thereof to the owners and mortgagees and initiate a defense to such action; and the owners and mortgagees shall have no right to participate in such defense other than through the Board. Actions against one or more, but less than all owners shall be directed to such owners, who shall promptly give written notice thereof to the Board and the mortgagees of such lots, and provide their own defense.

ARTICLE VIII. Abatement and
Enjoinment of Violations by Owners

Section 1. The violation of any administrative rules or regulations adopted by the Board, the breach of any provision contained herein or the breach of any provision of the Declaration shall give the Board the right, in addition to any other rights set forth in these Bylaws and the Declaration:

A. To enter the lot on which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass; and/or

B. To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 2. These remedies are cumulative to other remedies provided in the act, the Declaration and these Bylaws or any other applicable laws.

ARTICLE IX. Accounting

Section 1. The books and accounts of the Association shall be kept in accordance with generally accepted accounting procedures under the direction of the treasurer.

Section 2. At the close of each fiscal year, the books and records of the Association shall be audited by an auditor outside of the Association.

Section 3. The books and accounts of the Association may be inspected by any owner or his authorized representative during regular business hours.

ARTICLE X. Special Committees

The Board by resolution may designate one or more special committees, each committee to consist of owners or spouses of owners, which to the extent provided in said resolution, shall have and may exercise powers set forth in said resolution. Such special committee or committees shall have such name or names as may be determined from time to time by the Board. Such special committees shall keep regular minutes of their proceedings and report the same to the Board when required. The members of such special committee or committees designated shall be appointed by the Board or the president. The Board or the president may appoint members to fill vacancies on each of said special committees occasioned by death, resignation, removal or inability to act for any extended period of time.

ARTICLE XI. Amendment of Bylaws

Except as otherwise provided in the act, the Declaration of these Bylaws, the Bylaws may be amended by a majority vote of interest ²⁻⁰¹⁻⁵⁸⁵⁴ person or by proxy at a meeting of the Association duly called for such purpose. Upon such an affirmative vote, the Board shall acknowledge the amended bylaws setting forth the fact of the required affirmative vote of the owners and the amendment shall thereupon be effective.

ARTICLE XII. Severability

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

ARTICLE XIII. Offices and Agent

The principal office of the Association in the State of Texas shall be located in the County of Travis. The office of the Association to be maintained in the State of Texas may be, but need not be, identical with the principal office in the State of Texas, and the address of the office may be changed from time to time by the Board. The registered agent of the Association may be changed from time to time by the Board.

ARTICLE XIV. Dissolution

In the event the property is removed from the provisions of the Declaration, the Association shall immediately be dissolved as provided by law. Prior to such dissolution, the assets of the Association,

after the payment of all debts including mortgages and other encumbrances of property owned by the Association, shall be distributed to the owners in accordance with their percentage of undivided interests in the common elements.

ARTICLE XV. Indemnification

The Association shall indemnify every Board member and officer, his heirs, executors and administrators, against all loss, costs and expenses, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Board member or officer of the Association except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified had not been guilty of gross negligence or willful misconduct in the performance of his duty as such Board member or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Board member or officer may be entitled. All liability, loss, damage, cost and expenses incurred or suffered by the Association by reason of or arising out of or in connection with the foregoing indemnification provisions shall be treated by the Association as common expenses, provided, however, that nothing contained in this section shall be deemed to obligate the Association to indemnify any owner who is or has been a Board member or officer of the Association.

ARTICLE XVI. Leased or Rented Lots

No owner shall lease or rent his lot or the improvements thereon without first submitting his proposed lease, if any, and the name of the proposed tenant to a screening committee appointed for that purpose by the Board, and securing the acceptance of the screening committee. Approval of a lease or of a tenant shall not be unreasonably withheld. Race, color or national origin may not be considered as part of the screening process. The screening committee may require a personal interview with the proposed tenant. Failure of the screening committee to act on a proposed lease or tenant within twenty-four hours of submission or interview, whichever is later, shall constitute acceptance. All tenants shall be bound by the declaration, the Articles of Incorporation, these Bylaws, and the rules of the Association. No owner may relieve himself of his duties and obligations to the Association by leasing or renting his lot. The screening committee shall see that all tenants are familiar with the provisions of the Declaration, the Articles of Incorporation, these Bylaws, and the rules and regulations of the Association.

ARTICLE XVII. Contracts of the Board

The Board may not enter into management, service, insurance or employment contracts having a term or duration of more than one year.

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Naris H. ...
COUNTY CLERK
TRAVIS COUNTY, TEXAS

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STATE OF TEXAS COUNTY OF TRAVIS
I hereby certify that this instrument was FILED on the
date and at the time stamped herein by me, and was duly
RECORDED, in the Volume and Page of the named RECORDS
of Travis County, Texas, as stamp hereon by me, on

MAR 16 1984



Naris H. ...
COUNTY CLERK
TRAVIS COUNTY, TEXAS

Clay & ...
Granny T ...
Attic: Ellen ...

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