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**DECLARATION OF CONDOMINIUM REGIME**  
**FOR**  
**SALADO AIRPORT CONDOMINIUMS**  
**(A Leasehold Condominium Located in Bell County, Texas)**

**Declarant: 2TX MANAGEMENT, LLC, a Texas limited liability company**

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**DECLARATION OF CONDOMINIUM REGIME FOR  
SALADO AIRPORT CONDOMINIUMS**

**2TX MANAGEMENT, LLC**, a Texas limited liability company ("**Declarant**"), is the holder of a leasehold interest in that certain real property in Bell County, Texas, as more particularly described on Exhibit "A" attached hereto and incorporated herein, together with all Improvements thereon and all easements, rights, and appurtenances thereto (collectively, the "**Land**"). The Land is hereby submitted to the terms and provisions of the Texas Uniform Condominium Act, Chapter 82 of the Texas Property Code, for the purpose of creating Salado Airport Condominiums.

**NOW, THEREFORE**, it is hereby declared that: (i) the Land will be held sold, conveyed, leased, occupied, used, insured, and encumbered with this Declaration, which will run with the Land and be binding upon all parties having right, title, or interest in or to such property, their heirs, successors, and assigns and shall inure to the benefit of each owner thereof; and (ii) each contract or deed which may hereafter be executed with regard to the Land, or any portion thereof, shall conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions and restrictions, regardless of whether or not the same are set out in full or by reference in said contract or deed.

**ARTICLE 1  
DEFINITIONS**

Unless otherwise defined in this Declaration, terms defined in Section 82.003 of the Act have the same meaning when used in this Declaration. The following words and phrases, whether or not capitalized, have specified meanings when used in the Documents, unless a different meaning is apparent from the context in which the word or phrase is used.

1.1 "**Act**" means Chapter 82 of the Texas Property Code, the Texas Uniform Condominium Act, as it may be amended from time to time.

1.2 "**Applicable Law**" means the statutes and public laws and ordinances in effect at the time a provision of the Documents is applied and pertaining to the subject matter of the Document provision. Statutes and ordinances specifically referenced in the Documents are "**Applicable Law**" on the date of the Document, and are not intended to apply to the Property if they cease to be applicable by operation of law, or if they are replaced or superseded by one or more other statutes or ordinances.

1.3 "**Architectural Reviewer**" means Declarant during the Development Period. After expiration of the Development Period, the rights of the Architectural Reviewer will automatically be transferred to the Board.

1.4 "**Assessment**" means any charge levied against a Unit or Owner pursuant to the Documents, the Act, or Applicable Law, including but not limited to Regular Assessments,

Special Assessments, Individual Assessments and Deficiency Assessments as defined in *Article 5* of this Declaration.

1.5 “**Assessment Unit**” has the meaning set forth in *Section 4.9* below.

1.6 “**Association**” means Salado Airport Condominium Community, Inc., a Texas non-profit corporation, the Members of which will be the Owners. The term “Association” will have the same meaning as the term “property owners association” in Section 202.001(2) of the Texas Property Code. The failure of the Association to maintain its corporate charter from time to time does not affect the existence or legitimacy of the Association, which derives its authority from the Documents and the Act.

1.7 “**Base Rent**” means Base Rent as defined in Article IV of the Ground Lease.

1.8 “**Board**” means the Board of Directors of the Association.

1.9 “**Building**” means any structure contained within a Unit.

1.10 “**Bylaws**” mean the bylaws of the Association, as they may be amended from time to time in accordance with the Bylaws and Applicable Law. The initial Bylaws of the Association are attached hereto as Attachment 1.

1.11 “**Certificate**” means the Certificate of Formation of the Association filed in the Office of the Secretary of State of Texas, as the same may be amended from time to time in accordance with the Certificate and Applicable Law.

1.12 “**Common Elements**” means all portions of the Property, **SAVE AND EXCEPT** the Units. All Common Elements are “**General Common Elements**” except if such Common Elements have been allocated as “**Limited Common Elements**” by this Declaration for the exclusive use of one or more but less than all of the Units.

1.13 “**Common Expenses**” means the expenses incurred or anticipated to be incurred by the Association for the general benefit of the Regime, including but not limited to those expenses incurred for the maintenance, repair, replacement and operation of the General Common Elements.

1.14 “**Community Manual**” means the community manual, if any, which may be initially adopted and Recorded by the Declarant as part of the initial project documentation for the Regime. The Community Manual may include the Bylaws and Rules and policies governing the Association. The Board may, from time to time, modify, supplement, or amend the Community Manual; provided, however, that until expiration of the Development Period, any modification, supplement or amendment to the Community Manual must be approved in advance and in writing by the Declarant.

1.15 **“Declarant”** means **2TX MANAGEMENT, LLC**, a Texas limited liability company. Notwithstanding any provision in this Declaration to the contrary, Declarant may, by Recorded written instrument, assign, in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any Person and may permit the participation, in whole, in part, exclusively, or non-exclusively, by any other Person in any of its privileges, exemptions, rights and duties hereunder.

1.16 **“Declarant Control Period”** means that period of time during which Declarant controls the operation and management of the Association. The duration of the Declarant Control Period is from the date this Declaration is recorded for a maximum period not to exceed one-hundred twenty (120) days after title to seventy-five percent (75%) of the Units that may be created hereunder have been conveyed to Owners other than Declarant.

1.17 **“Declarant’s Mortgagee”** means any Person that is the holder of any bona fide indebtedness which is the result of an arm’s length negotiation, that is secured by a first lien or encumbrance upon any portion of the Regime owned by Declarant.

1.18 **“Declaration”** means this document, as it may be amended from time to time.

1.19 **“Deficiency Assessments”** means charges established and assessed by the Association pursuant to *Section 5.7* of this Declaration.

1.20 **“Development Period”** means the period, during which time Declarant has reserved certain rights as more particularly described in this Declaration, beginning when Declaration is Recorded and ending fifty (50) years after the date on which this Declaration was recorded. Declarant may terminate the Development Period by executing and Recording a notice of termination.

1.21 **“Development Rights”** means the following rights, exercisable during the Development Period, which have been retained by the Declarant with respect to the Property: (i) to add real property to the Regime; (ii) to create Units, General Common Elements, or Limited Common Elements within the Regime or within real property that may be added to the Regime; (iii) to subdivide Units or convert Units into General Common Elements or Limited Common Elements; (iv) to withdraw all or any portion of the Property from the terms of this Declaration and the Regime, provided that no Unit proposed to be withdrawn from the Declaration and the Regime has been conveyed to an Owner other than Declarant; (v) to complete all Improvements shown on the Plat or otherwise planned, from time to time, by the Declarant; (vi) to make the Regime part of a larger condominium or a planned community; (vii) to maintain sales, management, and leasing offices within the Regime; (viii) to establish and maintain signs advertising or marketing the Regime; (ix) to establish models or representative Improvements within the Regime; (x) to use easements through the Common Elements for the purpose of making Improvements within the Regime or within real property



that may be added to the Regime; (xi) to appoint and remove any officer or Board member of the Association as permitted by this Declaration and the Act; and (xii) to subdivide one or more Units in accordance with *Article 4*, provided that Declarant is the Owner of the Unit.

1.22 **“Documents”** mean, individually or collectively as the case may be, this Declaration, the Plat and Plans, attached hereto as Attachment 2, the Certificate, the Bylaws and the Rules, if any, as each may be amended from time to time. An attachment, appendix, exhibit, schedule, or certification accompanying a Document is a part of that Document.

1.23 **“General Common Elements”** mean Common Elements which are not Limited Common Elements.

1.24 **“Governmental Authority”** means any and all applicable courts, boards, agencies, commissions, offices or authorities of any nature whatsoever for any governmental entity (federal, state, county, district, municipal, or otherwise) whether now or hereafter in existence.

1.25 **“Governmental Impositions”** means all real estate and personal property taxes, assessments, standby fees, excises and levies, and any interest, costs or penalties with respect thereto, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever, which at any time prior to or after the execution of this Declaration, may be assessed, levied or imposed upon the Regime or any Unit therein by any Governmental Authority.

1.26 **“Ground Lease”** means that certain Ground Lease dated June 11, 2019, \_\_\_\_\_, as evidenced by that certain Memorandum of Lease recorded under Document No. 2019-24914 \_\_\_\_\_, Official Public Records of Bell County, Texas, by and between Ground Lessor and Declarant.

1.27 **“Ground Lease Event of Default”** means a Default as defined in Article XIII of the Ground Lease.

1.28 **“Ground Lessor”** means **SALADO AIRPORT, LLC**, a Texas limited liability company, lessor under the Ground Lease.

1.29 **“Hangar Unit”** means any Unit contemplated under this Declaration which has not been designated as an **“Other Unit”** by Recorded written instrument executed by Declarant. Except as otherwise provided herein, all references to **“Unit”** under this Declaration shall mean and refer to the Hangar Units.

1.30 **“Improvement”** means every structure and all appurtenances of every type and kind, whether temporary or permanent in nature, including, but not limited to, any buildings, driveways, and parking areas.

1.31 **“Individual Assessments”** means charges established and assessed by the Association pursuant to *Section 5.6* of this Declaration.

1.32 **“Limited Common Elements”**, if any, mean those portions of the Common Elements reserved for the exclusive use of one or more Owners to the exclusion of other Owners. Limited Common Elements are allocated pursuant to this Declaration or shown on the Plat and Plans.

1.33 **“Majority”** means more than half.

1.34 **“Member”** means an Owner as a member of the Association, unless the context indicates that member means a member of the Board or a member of a committee of the Association.

1.35 **“Occupant”** means any Person, including any Owner, tenant or otherwise having a right to occupy or use all or any portion of a Unit for any period of time.

1.36 **“Other Unit”** means any Unit contemplated under this Declaration which has been designated as an “Other Unit” by Recorded written instrument executed by Declarant.

1.37 **“Owner”** means any Person (including Declarant) who owns fee title to a Unit, or in the event a Unit, in its entirety, is subject to a ground lease, the leasehold interest under such ground lease, but does not include any Person having an interest in a Unit solely as security for an obligation. Every Owner is a Member of the Association.

1.38 **“Permittee”** means any Occupant and any officer, agent, employee, licensee, lessee, customer, vendor, supplier, guest, invitee or contractor of the Association, an Owner, or Declarant.

1.39 **“Person”** means any individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, joint venture, estate, trust, unincorporated association, any other legal entity, including any Governmental Authority and any party acting in such capacity on behalf of any of the foregoing.

1.40 **“Plat and Plans”** means the plat and plans attached hereto as Attachment 2, as changed, modified, or amended in accordance with this Declaration.

1.41 **“Priority Lien Indebtedness”** means any bona fide indebtedness, which is the result of an arm's-length negotiation, that is secured by a first lien or encumbrance upon the Property and/or a Unit.

1.42 **“Property”** means that certain real property in Bell County, Texas, subject to the Ground Lease, as more particularly described on Exhibit “A” attached hereto and incorporated

herein, together with all Improvements thereon and all easements, rights, and appurtenances thereto, and includes every Unit and Common Element thereon.

1.43 **“Record”, “Recordation”, “Recorded”, or “Recording”** means recorded or to be recorded, respectively, in the Official Public Records of Bell County, Texas.

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

1.45 **“Registered Mortgagee”** means any Person, including Declarant’s Mortgagee, that is the holder, insurer or guarantor of any Priority Lien Indebtedness upon a Unit and which has provided the Association with written notice of its name, address and a description of the Unit encumbered thereby and a certification that such indebtedness constitutes "Priority Lien Indebtedness" in accordance with this Declaration.

1.46 **“Regular Assessments”** means charges established and assessed by the Association pursuant to *Section 5.4* of this Declaration.

1.47 **“Rules”** means rules and regulations of the Association adopted in accordance with the Documents or the Act. The Board may, from time to time, modify, supplement, or amend the Rules, but no modifications to the Rules will prohibit or unreasonably interfere with any use of a Unit.

1.48 **“Special Assessments”** means charges established and assessed by the Association pursuant to *Section 5.5* of this Declaration.

1.49 **“Underwriting Lender”** means a national institutional mortgage lender, insurer, underwriter, guarantor, or purchaser on the secondary market, such as Federal Home Loan Mortgage Corporation (Freddie Mac), Federal National Mortgage Association (Fannie Mae), or the Veterans Administration, singly or collectively. The use of this term and these institutions may not be construed as a limitation on an Owner’s financing options or as a representation that the Property is approved by any institution.

1.50 **“Unit”** means the physical portion of the Property designated by this Declaration for separate ownership, the boundaries of which are shown on the Plat and Plans attached hereto as Attachment 2, as further described in *Section 4.2* of this Declaration, including any Improvements within such boundaries and any Improvements outside such boundaries, to the extent that the Improvements outside such boundaries are expressly made a part of the Unit pursuant to *Section 4.3* of this Declaration.

1.51 **“Unit Type”** means one or more condominium Unit categories which Declarant reserves the ability to designate by the Recording of a written instrument designating Units as a

part of such Unit Type. By the Recording of this Declaration, Declarant hereby creates two initial Unit Types: (i) Hangar Units; and (ii) Other Units.

1.52 **“Wastewater System(s)”** means the private wastewater system(s) which provide wastewater service to each Unit, as depicted on the Plat and Plans and designated as General Common Element.

**ARTICLE 2**  
**PROPERTY SUBJECT TO DOCUMENTS**

2.1. **Subject To Documents.** The Property is held, transferred, sold, conveyed, leased, occupied, used, insured, and encumbered subject to the terms, covenants, conditions, restrictions, liens, and easements of this Declaration, including rights reserved by the Declarant under this Declaration, which run with the Property, bind all parties having or acquiring any right, title, or interest in the Property, their heirs, successors, and assigns, and inure to the benefit of each Owner of the Property.

2.2. **Additional Property.** Additional real property may be made subject to this Declaration by the Declarant during the Development Period. Annexation of additional property is accomplished by Recording a declaration of annexation which includes a description of the additional real property and such other information as may be required by the Act.

2.3. **Recorded Easements and Licenses.** In addition to the terms, covenants, conditions, restrictions, liens, and easements contained in this Declaration, the Property is subject to all Recorded easements, licenses, leases, and encumbrances, including those described on Attachment 3, and any shown or referenced on a Recorded plat, each of which is incorporated herein by reference. Each Owner, by accepting an interest in or title to a Unit, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to be bound by Recorded easements, licenses, leases, and encumbrances.

2.4. **Common Elements.** The Common Elements of the Property, which may be comprised of General Common Elements and Limited Common Elements, consist of all of the Property, **SAVE AND EXCEPT** the Units, and expressly includes the land underlying the Units.

**ARTICLE 3**  
**EASEMENTS**

3.1. **Common Element Easement.** Subject to the provisions of the Documents, each Owner is granted a perpetual and non-exclusive easement of access, ingress, egress, use and enjoyment of, in and to the General Common Elements, such easements being appurtenant to each Unit.

3.2. **Association’s Access Easement.** Each Owner, by accepting an interest in or title to a Unit, whether or not it is so expressed in the instrument of conveyance, grants to the Association an easement of access and entry over, across, under, and through the Property to the extent necessary and required to perform any and all functions or duties of the Association as permitted or required by the Documents or by Applicable Law.

3.3. **Utility Easement.** Declarant hereby reserves the right to grant and/or dedicate easements over and across the Property necessary or required, as determined by the Declarant, for the proper operation of the Regime or to provide utilities to the Units or as required by a municipality or other regulatory authority. Utilities may include, but are not limited to, water, irrigation, sewer, trash removal, electricity, gas, electronic communications and internet, telephone, master or cable television, and security. Notwithstanding the foregoing, the easements provided for in this Section shall not, in any event, interfere with the development, construction, use, operation, or sale of any Unit or the Limited Common Elements appurtenant thereto without the prior written consent of the Owner of such Unit. The easements reserved herein may be granted, in whole or in part, and exclusively or non-exclusively, by the Declarant to any Governmental Entity.

3.4. **Encroachment Easement.** Each Owner is granted a non-exclusive easement for the installation, existence and repair of any encroachment on any adjoining Common Element as a result of a roof overhang, balcony, or awning located on an Owner’s Unit constructed in accordance with plans approved by the Architectural Reviewer as long as such Improvement stands.

3.5. **Addressing Easement.** Declarant shall have the right, in accordance with the applicable Governmental Entity’s street addressing and permitting requirements, to establish street addresses for each Unit. From time to time, as street addresses for each Unit are established, Declarant may Record a written instrument which identifies the Unit and the street address assigned to such Unit.

**ARTICLE 4**  
**UNITS; COMMON ELEMENTS AND ALLOCATIONS**

4.1. **Initial Submitted Units; Maximum Number of Units.** The Regime initially consists of seventy-two (72) Hangar Units and zero (0) Other Units. The maximum number of Units which may be created in the Regime is one-hundred and fifty (150). To add Units to the Regime, Declarant during the Development Period may, from time to time, file an amendment to this Declaration creating such additional Units; which amendment will: (i) assign an identifying number to each new Unit; (ii) reallocate the Common Interest Allocation among all Units then existing within the Regime; (iii) describe any Limited Common Elements, assigned to each new Unit; and (iv) with respect to new Units, include the information required by

Section 82.055 and Section 82.059(b) of the Act. No assurance is given as to the dispersion of new Units, total number of new Units, the Unit Type of such Units, or size of such Units.

4.2. **Unit Boundaries.** The boundaries and identifying number of each Unit are shown on the Plat and Plans attached hereto as Attachment 2. The boundaries of each Unit are further described as follows:

(i) **Lower Boundary of Unit:** The horizontal plane corresponding to the finished grade of the surface of the land within the Unit, as described and defined on Attachment 2, except as expressly provided in *Section 4.3* of this Declaration.

(ii) **Upper Boundary of Unit:** The horizontal plane parallel to and six hundred (600') above the lower boundary the Unit.

(iii) **Lateral Boundaries of Unit:** A plane located on each side of a Unit perpendicular to the lower and upper horizontal planes, from the lower boundary of the Unit to the upper boundary of the Unit, as described and defined on Attachment 2.

**Ownership of a Unit includes the entire space enclosed by the Unit boundaries and all improvements located within the Unit.**

4.3. **What a Unit Includes.** Each Unit includes the spaces and Improvements now or hereafter constructed within the lower, upper, and lateral boundaries defined in *Section 4.2* above, including without limitation the roofs and foundations of any such Improvements, landscaping, driveways, parking areas, sidewalks, fences, utility lines and meters (to the extent such lines and meters exclusively serve such Unit) and all other Improvements located within the Unit. In addition to the Improvements within the Unit, each Unit also includes the following improvements, fixtures, and equipment serving each such Unit exclusively: (i) those which are located below the finished grade of the land comprising the lower boundary of the Unit, whether or not attached to or contiguous with an Improvement, including but not limited to below grade foundation, piers, retaining walls, structural supports, utility and drainage facilities, and subterranean components of plant material, and (ii) any utility facilities and meters located outside the lower, upper, and lateral boundaries of a Unit as defined in *Section 4.2* above.

**Not a Typical Condominium Unit**

A UNIT DOES NOT INCLUDE LAND. THE CONVEYANCE OF A UNIT IS NOT A METES AND BOUNDS CONVEYANCE OF LAND. THE CREATION OF A UNIT DOES NOT CONSTITUTE A SUBDIVISION OF LAND. EACH UNIT CONSISTS OF THE SURFACE OF A DESIGNATED PIECE OF LAND, AND EVERYTHING ABOVE THE SURFACE FOR 600 FEET, AND ANYTHING BELOW THE SURFACE THAT SERVES OR SUPPORTS THE ABOVE-SURFACE IMPROVEMENTS.

4.4. **Building Size.** The space contained within the vertical and horizontal boundaries of the Unit is not related to the size of any Building or Improvements contained therein. Neither Declarant nor any other Owner is obligated to construct any Buildings or other Improvements in a Unit. Notwithstanding the foregoing, the height of any building Improvements may not exceed the height allowed under Applicable Law.

4.5. **Additional Information to Interpret Unit Boundaries.** In the event that there is a conflict between the boundaries of a Unit as described in this *Article 4* and as shown on the Plat and Plans, this *Article 4* shall control. It is the express intent of the Declarant that the property described as being part of a Unit will for all purposes herein be treated as and constitute a lawfully described "Unit" as that term is defined in the Act. In the event that there is a final judicial determination by a court of competent jurisdiction that the boundaries of a Unit or any portion thereof are so indefinite and vague so as to not create a legally constituted "Unit" within the meaning of the Act, then that portion of the Unit that has not been adequately described will be severed from the property deemed a part of the Unit (if the remainder of the Unit, excluding the severed portion thereof, constitutes a properly described "Unit" under the Act) and shall thereafter be deemed to be Limited Common Elements reserved to the exclusive use of said Unit, subject to the rights and obligations of other Owners with respect to said property.

4.6. **Wastewater System – Notice.** For purposes of Chapter 366, Texas Health and Safety Code and 30 Texas Administrative Code Chapter 285, which regulates the sewage systems that will be serving each Unit, it is acknowledged that a Unit, as described and authorized in this Declaration, is considered a tract for the purposes of determining sewage flow limits. A Unit may not be altered such that the sewage flow from that Unit exceeds 5,000 gallons per day. Such a change may result in the repeal of the on-site sewage facilities ("OSSF") permit for that Unit and require that a wastewater permit is obtained from TCEQ. Any changes must be agreed to, in writing, by the Bell County staff.

4.7. **Initial Allocation of Limited Common Elements.** Portions of the General Common Elements may be allocated as Limited Common Elements on the Plat and Plans, attached hereto as Attachment 2, by use of "LCE" and the identifying number of the Unit to

which the Limited Common Element is appurtenant, or by use of a comparable method of designation. A General Common Element may be allocated as a Limited Common Element only in accordance with the Act and the provisions of this Declaration. During the Development Period, Declarant hereby reserves the right to create and further assign Limited Common Elements (provided that no further assignment of Limited Common Elements may be made to a Unit not owned by the Declarant without the consent of the Owner of such Unit).

4.8. **Reallocation of Limited Common Elements.** Except as otherwise provided in *Section 4.7*, a Limited Common Element may only be reallocated by an amendment to this Declaration. An amendment reallocating Limited Common Elements must be executed by the Owners between or among whose Units the reallocation is made. An amendment executed by Owners will be delivered to the Association which will Record the amendment at the expense of the reallocating Owners. The Owners executing the amendment will prepare the amendment at their sole cost and expense and will reimburse the Association for its reasonable attorneys' fees in connection with review and Recording of the amendment.

4.9. **Common Interest Allocation.** The percentage of interest in the Common Elements (the "**Common Interest Allocation**") allocated to each Unit is expressed as a percentage, but determined through the allocation of "**Assessment Units**" to each Unit (as defined and allocated below).

The Common Interest Allocation for each Unit is calculated as follows:

$$\text{[Assessment Units attributable to the Unit]} / \text{[Total Assessment Units attributable to all Units]}$$

The Assessment Units attributable to each Unit are allocated based on Unit Type. For Hangar Units, one (1) Assessment Unit is or will be allocated to each Hangar Unit created. For Other Units, the number of Assessment Units allocated to each Other Unit will be set forth in the amendment to this Declaration creating such Other Unit, which allocation shall be determined by a formula set forth in such amendment.

The Common Interest Allocation assigned to a Unit may decrease as Units are added to this Declaration, but the number of Assessment Units allocated to the Unit will remain the same. The same formula will be used in the event the Common Interest Allocation is reallocated as a result of any increase or decrease in the number of Units subject to this Declaration. In the event an amendment or notice of annexation to this Declaration is filed which reallocates the Common Interest Allocation as a result of any increase or decrease in the number of Units and the Assessment Units attributable thereto, the reallocation will be effective on the date such amendment or notice of annexation is Recorded.

4.10. **Common Expense Liability.** The percentage of liability for Common Expenses (the "**Common Expense Liability**") assigned to each Unit and levied pursuant to *Article 5* is equal to the Common Interest Allocation assigned to each Unit in accordance with *Section 4.9* of



this Declaration. Notwithstanding the foregoing, the liability for costs and expenses incurred by the Association to operate, maintain, repair, and replace each Wastewater System (the “**Wastewater System Expenses**”) will be paid and allocated to the Owner of the Units based on each Unit’s Common Expense Liability.

4.11. **Votes.** One (1) vote is allocated to each Unit. The one vote appurtenant to each Unit is weighted equally for all votes, regardless of the other allocations appurtenant to the Unit. In other words, the one vote appurtenant to each Unit is uniform and equal to the vote appurtenant to every other Unit.

4.12. **Mortgage of Unit.** An Owner shall be entitled from time to time to mortgage or encumber a Unit by creating a lien or liens covering a Unit under the provisions of a mortgage or deed of trust, but any lien created thereby shall be subject to the terms and provisions of this Declaration, and any mortgagee or other lienholder which acquires a Unit through judicial foreclosure, public sale or any other means shall be subject to the terms and provisions of this Declaration. An Owner that mortgages its Unit shall notify the Association, giving the name and address of said Owner’s mortgagee, and the Association shall maintain such information.

## ARTICLE 5

### COVENANT FOR ASSESSMENTS LEVIED BY THE ASSOCIATION

5.1. **Purpose of Assessments.** The Association will use Assessments for the general purposes of preserving and enhancing the Regime, and for the benefit of Owners and Occupants, including but not limited to maintenance of real and personal property, management, and operation of the Association, and any expense reasonably related to the purposes for which the Association was formed, including but not limited to discharging its obligations and duties under the Ground Lease. If made in good faith, the Board’s decision with respect to the use of Assessments is final.

5.2. **Personal Obligation.** An Owner is obligated to pay Assessments levied by the Association against the Owner or the Owner’s Unit. Payments must be made in full regardless of whether an Owner has a dispute with the Association, another Owner, or any other Person regarding any matter to which this Declaration pertains. No Owner may exempt itself from any Assessment liability by waiver of the use or enjoyment of the Common Elements or by abandonment of the Owner’s Unit. An Owner’s obligation is not subject to offset by the Owner, nor is it contingent on the Association’s performance of the Association’s duties. Payment of Assessments is both a continuing affirmative covenant personal to the Owner and a continuing covenant running with the Unit. It shall be the responsibility of the Association to collect any delinquent Assessments, the existence of which shall be made known by written notice delivered to the defaulting Owner and, where requested, the Owner’s Registered Mortgagee.

5.3. **Types of Assessments Levied by the Association.** There are four (4) types of Assessments levied by the Association: Regular Assessments, Special Assessments, Individual Assessments and Deficiency Assessments.

5.4. **Regular Assessments.**

5.4.1. **Purpose of Regular Assessments.** Regular Assessments are used for maintenance, repair and replacement of the General Common Elements (including each Wastewater System) and other expenses required to be incurred by the Association pursuant to this Declaration or the Act.

5.4.2. **Annual Budget – Regular Assessments.** If Regular Assessments will be levied by the Association, the Board will prepare and approve an annual budget with the estimated expenses to be incurred by the Association for each fiscal year. The budget will take into account the estimated income and Common Expenses for the year, contributions to reserve funds for the General Common Elements, and a projection for uncollected receivables. The Board will make the budget or a summary of the budget available to each Owner, although failure to receive a budget or budget summary will not affect an Owner's liability for Assessments.

5.4.3. **Basis of Regular Assessments.** Regular Assessments will be based on the annual budget. Each Unit will be liable for its allocated share of the annual budget equal to the Common Expense Liability assigned to the Owner's Unit. If the Board does not approve an annual budget or fails to determine new Regular Assessments for any year, or delays in doing so, Owners will continue to pay the Regular Assessment as last determined.

5.4.4. **Supplemental Increases.** If during the course of a year the Board determines that Regular Assessments are insufficient to cover the estimated Common Expenses for the remainder of the year, the Board may increase Regular Assessments for the remainder of the fiscal year in an amount that covers the estimated deficiency. Supplemental increases will be apportioned among the Units in the same manner as Regular Assessments.

5.5. **Special Assessments.** The Board may levy one or more Special Assessments against all Units for the purpose of defraying, in whole or in part, Common Expenses not anticipated by the annual budget or reserves. Special Assessments may be used for the same purposes as Regular Assessments. Special Assessments do not require the approval of the Owners, except that Special Assessments for the acquisition of real property must be approved by at least a Majority of the votes in the Association. Special Assessments will be apportioned among the Units in the same manner as Regular Assessments.

5.6. **Individual Assessments.** The Board may levy an Individual Assessment against an Owner and the Owner's Unit for expenses which are reasonably allocable only to that Owner's Unit or Limited Common Elements, as opposed to the Regime in general. Individual Assessments may include, but are not limited to: (i) interest, late charges, and collection costs on delinquent Assessments; (ii) reimbursement for costs incurred in bringing an Owner or the Owner's Unit or Limited Common Elements into compliance with the Documents; (iii) fines for violations of the Documents; transfer-related fees and resale certificate fees; fees for estoppel letters and copies of the Documents; (iv) insurance deductibles paid by the Association in connection with a claim related only to that Owner's Unit; (v) reimbursement for costs incurred in repairing damage or waste caused by willful or negligent acts of the Owner, Occupant, or their respective Permittees; and (vi) Common Expenses that benefit fewer than all of the Units, which may be assessed according to benefit received as reasonably determined by the Board.

5.7. **Deficiency Assessments.** The Board may levy a Deficiency Assessment against all Units for the purpose of defraying, in whole or in part, the cost of maintenance, repair, and replacement, as necessary, of the General Common Elements if insurance proceeds or condemnation awards prove insufficient. Deficiency Assessments will be apportioned among the Units as set forth in *Section 4.10* above.

5.8. **Due Date.** Regular Assessments are due annually, to be paid on January 1 of each calendar year, or on such other date or frequency as the Board may designate in its sole and absolute discretion, and are delinquent if not received within ten (10) days after such date. Special Assessments, Individual Assessments and Deficiency Assessments are due on the date stated in the notice of Assessment or, if no date is stated, within ten (10) days after notice of the Assessment is given.

5.9. **Reserve Funds.** The Association may maintain reserves at a level determined by the Board to be sufficient to cover the anticipated cost of operational or maintenance emergencies or contingencies, including deductibles on insurance policies maintained by the Association.

5.10. **Association's Right to Borrow Money.** The Association is granted the right to borrow money, subject to the ability of the Association to repay the borrowed funds from Assessments. To assist its ability to borrow, the Association is granted the right to encumber, mortgage, or pledge any of its real or personal property, and the right to assign its right to future income, as security for money borrowed or debts incurred, provided that the rights of the lender in the pledged property are subordinate and inferior to the rights of the Owners hereunder.

5.11. **Limitations of Interest.** The Association, and its officers, directors, managers, and attorneys, intend to conform strictly to the applicable usury laws of the State of Texas. Notwithstanding anything to the contrary in the Documents or any other document or

agreement executed or made in connection with the Association's collection of Assessments, the Association will not in any event be entitled to receive or collect, as interest, a sum greater than the maximum amount permitted by Applicable Law. If from any circumstances whatsoever, the Association ever receives, collects, or applies as interest a sum in excess of the maximum rate permitted by Applicable Law, the excess amount will be applied to the reduction of applicable Assessments, or reimbursed to the Owner if those Assessments are paid in full.

5.12. **Audited Financial Statements.** The Association will have an audited financial statement for the preceding full fiscal year of the Association prepared and made available to the Members of the Association within one hundred and twenty (120) days after the Association's fiscal year-end.

5.13. **Statement of Expenses.** Upon request, the Association shall promptly provide any Owner or Registered Mortgagee with a written statement of all unpaid Assessments due with respect to such Unit. The Association may impose a reasonable charge for the preparation of such statement to the extent permitted by the Act.

## **ARTICLE 6**

### **ASSESSMENT LIEN**

6.1. **Assessment Lien.** Each Owner, by accepting an interest in or title to a Unit, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to pay to the Association any Regular Assessments, Special Assessments, Individual Assessments, and Deficiency Assessments levied by the Association. Each Assessment is a charge on the Unit and is secured by a continuing lien on the Unit. Each Owner, and each prospective Owner, is placed on notice that such Owner's title may be subject to the continuing lien for Assessments attributable to a period prior to the date such Owner purchased such Owner's Unit. An express lien on each Unit is hereby granted and conveyed by Declarant to the Association to secure the payment of Regular Assessments, Special Assessments, Individual Assessments, and Deficiency Assessments.

6.2. **Superiority of Assessment Lien.** The Assessment lien is superior to all other liens and encumbrances on a Unit, regardless of how created, evidenced or perfected, other than: (i) the lien securing the payment of Priority Lien Indebtedness (provided that such lien was Recorded prior to the date on which the Assessment became delinquent); and (ii) liens for Governmental Impositions.

6.3. **Effect of Foreclosure.** Foreclosure of a lien encumbering a Unit in order to satisfy the Priority Lien Indebtedness will extinguish the subordinate lien for any Assessments which became payable prior to the date of such foreclosure sale, provided that in no event shall a defaulting Owner be relieved from liability incurred for past Assessments. The purchaser of a

Unit at the foreclosure sale is liable for Assessments against the Unit coming due from and after the date of the sale.

6.4. **Notice and Release of Notice.** The lien established hereby for Assessments is created by Recording this Declaration, which constitutes record notice and perfection of the lien. No other Recordation of a lien or notice of lien is required. However, in the exercise of its lien rights, the Association may, at its option, cause a notice of the lien to be Recorded. If the debt is cured after a notice has been Recorded, the Association will execute and Record a release of the notice at the expense of the curing Owner. The Association may require reimbursement of its costs of preparing and Recording the notice before granting the release.

6.5. **Power of Sale.** By accepting an interest in or title to a Unit, each Owner grants to the Association a private power of non-judicial sale in connection with its Assessment lien. The Board may appoint, from time to time, any Person, including an officer, agent, trustee, substitute trustee, or attorney, to exercise the Association's lien rights on behalf of the Association, including the power of sale. Any such appointment must be in writing and may be in the form of a resolution duly adopted by the Association.

6.6. **Foreclosure of Lien.** The Assessment lien may be enforced by judicial or non-judicial foreclosure. A foreclosure must be conducted in accordance with the provisions applicable to the exercise of powers of sale as set forth in Section 51.002 of the Texas Property Code, or in any manner permitted by Applicable Law. In any foreclosure, the Owner will be required to pay all costs and expenses for the proceedings, including reasonable attorneys' fees. The Association has the power to bid on the Unit at a foreclosure sale initiated by it, to credit amounts owed by the Owner to its bid, and to acquire, hold, lease, mortgage, and convey same.

## ARTICLE 7 EFFECT OF NONPAYMENT OF ASSESSMENTS

7.1. **Delinquency.** An Assessment is delinquent if the Association does not receive payment in full by the Assessment's due date. The Association, acting through the Board, is responsible for taking action to collect all delinquent Assessments. From time to time, the Association may delegate some or all of its collection procedures and remedies, as it in its sole discretion deems appropriate, to an attorney or a debt collector. Neither the Association nor the Board acting on its behalf, however, is liable to an Owner or other Person for its failure or inability to collect or attempt to collect an Assessment.

7.2. **Remedies.** The following remedies are in addition to and not in substitution for all other rights and remedies which the Association may have pursuant to the Documents or Applicable Law:

7.2.1. **Interest.** Delinquent Assessments are subject to interest from the due date until paid, at a rate to be determined from time to time by the Board, not to exceed the

lesser of eighteen percent (18%) per annum or the maximum rate permitted by Applicable Law. If the Board fails to establish a rate, the rate is eighteen percent (18%) per annum.

7.2.2. Late Fees. Delinquent Assessments are subject to reasonable late fees, at a rate to be determined from time to time by the Board.

7.2.3. Collection Expenses. The Owner of a Unit against which Assessments are delinquent is liable to the Association for reimbursement of reasonable costs incurred to collect the delinquent Assessments, including attorneys' fees and processing fees charged by the manager.

7.2.4. Acceleration. If an Owner defaults in paying Assessments that are payable in installments and such default is not cured within thirty (30) days after written notice by the Association to the Owner of such default, the Association may accelerate the remaining installments on ten (10) days' written notice to the defaulting Owner. The entire unpaid balance of the Assessment becomes due on the date stated in the notice.

7.2.5. Money Judgment. The Association may file suit seeking a money judgment against an Owner delinquent in the payment of Assessments without foreclosing or waiving its lien for Assessments.

7.2.6. Notice to Registered Mortgagee. The Association may notify and communicate with an Owner's Registered Mortgagee regarding the Owner's default in payment of Assessments.

7.3. Application of Payments. The Association may adopt and amend policies regarding the application of payments. After the Association notifies the Owner of a delinquency, any payment received by the Association will be applied in the following order: Individual Assessments, Deficiency Assessments, Special Assessments, and (lastly) Regular Assessments. The Association may refuse to accept partial payment, *i.e.*, less than the full amount due and payable. The Association may also refuse to accept payments to which the payer attaches conditions or directions contrary to the Association's policy for applying payments. The policies of the Association may provide that endorsement and deposit of a payment does not constitute acceptance, and that acceptance occurs when the payment is posted to the Owner's account.

**ARTICLE 8**  
**MAINTENANCE AND REPAIR OBLIGATIONS**

8.1. Association Obligations.

8.1.1. Maintenance. The Association's maintenance obligations will be discharged when and how the Board deems appropriate. The Association will maintain, repair and replace, as a Common Expense, the General Common Elements (including each Wastewater System).

8.1.2. When Responsibilities are Relieved. The Association may be relieved of all or any portion of its maintenance responsibilities herein to the extent that: (i) except as to each Wastewater System, such maintenance responsibility is assigned to an Owner under this Declaration; (ii) except as to each Wastewater System, such maintenance responsibility is assumed by an Owner; or (iii) the property to be maintained is dedicated to any local, state or federal government or quasi-governmental entity.

8.1.3. No Owner Reimbursement. If any maintenance or repair otherwise the responsibility of the Association is performed by an Owner or Occupant, such maintenance or repair will be performed at the sole expense of such Owner or Occupant and the Owner and Occupant will not be entitled to reimbursement from the Association even if the Association accepts the maintenance or repair.

8.2. Maintenance of Wastewater System. The Association shall be responsible for operating, maintain, repairing and replacing, each Wastewater System. All operation, maintenance, repair and replacement required to be performed by the Association shall be performed in accordance with industry standards and Applicable Law.

8.3. Owner Responsibility. Each Owner shall operate and fully maintain, repair and, when necessary, replace, at its cost and expense, all portions of such Owner's Unit and any Limited Common Elements assigned to such Owner's Unit, including all Improvements and all easement areas located therein.

8.4. Taxes. Each Owner shall be responsible for and shall pay when due all taxes, assessments and other Governmental Impositions lawfully levied or assessed with respect to such Owner's Unit. Any taxes, assessments or other Governmental Impositions lawfully levied or assessed with respect to the Property not separately billed to the Owners shall constitute a Common Expense.

8.5. Utilities. Each Owner shall be responsible for and shall pay all utility charges relating to services used or consumed at or with respect to the occupancy of the Owner's Unit.

## **ARTICLE 9**

### **ARCHITECTURAL COVENANTS AND CONTROL**

9.1. Purpose. Because the Units are part of a single, unified community, the Architectural Reviewer has the right to regulate the exterior appearance of all Improvements in order to preserve and enhance the Property's value and architectural harmony. The

Architectural Reviewer has the right to regulate every aspect of proposed or existing Improvements on the Property, including replacements or modifications of exterior components of the original construction or installation. During the Development Period, the primary purpose of this *Article 9* is to reserve and preserve Declarant's right of architectural control. Notwithstanding any term or provision to the contrary herein, Improvements constructed on the Property and all architectural modifications made thereto that are made by the Declarant or its Permittees shall not be subject to approval pursuant to this *Article 9*.

9.2. **Architectural Reviewer.** The purposes of this Article shall be undertaken by the Architectural Reviewer. Until expiration or termination of the Development Period, the Architectural Reviewer shall mean Declarant or its designee. After expiration or termination of the Development Period, or Declarant's delegation to the Association of all or a portion of its reserved rights as Architectural Reviewer in accordance with *Section 9.3.3* below, the rights of the Architectural Reviewer, as applicable in the case of a partial delegation in accordance with *Section 9.3.3* below, will automatically be transferred to the Board or a committee appointed by the Board.

9.3. **Architectural Control by Declarant.**

9.3.1. **Declarant as Architectural Reviewer.** During the Development Period, the Architectural Reviewer shall mean Declarant or its designee, and neither the Association or the Board, nor a committee appointed by the Association or the Board (no matter how the committee is named) may involve itself with the approval of any Improvements. Declarant may designate one or more Persons from time to time to act on its behalf as Architectural Reviewer in reviewing and responding to applications pursuant to this Article.

9.3.2. **Declarant's Rights Reserved.** Each Owner agrees that during the Development Period, no Improvements will be started or progressed or modified without the prior written approval of the Architectural Reviewer, which approval may be granted or withheld at the Architectural Reviewer's sole discretion. In reviewing and acting on an application for approval, the Architectural Reviewer may act solely in its self-interest and owes no duty to any other Person or any organization.

9.3.3. **Delegation by Declarant.** During the Development Period, Declarant may from time to time, but is not obligated to, delegate all or a portion of its reserved rights as Architectural Reviewer to: (i) an architectural control committee appointed by the Board; or (ii) a committee comprised of architects, engineers, or other Persons who may or may not be members of the Association. Any such delegation must be in writing and must specify the scope of delegated responsibilities. Any such delegation is at all times subject to the unilateral right of Declarant to: (a) revoke such delegation at any time and reassume jurisdiction over the matters previously delegated; and (b) veto any decision



which Declarant, in its sole discretion, determines to be inappropriate or inadvisable for any reason.

9.4. **Architectural Control by Association.** Upon Declarant's delegation, in writing, of all or a portion of its reserved rights as Architectural Reviewer to the Board, or upon the expiration or termination of the Development Period, the Association will assume jurisdiction over architectural control and will have the powers of the Architectural Reviewer hereunder and the Board, or a committee appointed by the Board, is the Architectural Reviewer and shall exercise all architectural control over the Property.

9.5. **Limits on Liability.** Neither the Declarant, nor the Board, or their directors, officers, committee members, employees or agents will have any liability for decisions made as Architectural Reviewer in good faith. Neither the Declarant, nor the Board, or their directors, officers, committee members, employees or agents are responsible for: (i) errors in or omissions from the plans and specifications submitted to the Board; (ii) supervising construction for the Owner's compliance with approved plans and specifications; or (iii) the compliance of the Owner's plans and specifications with governmental codes and ordinances, state and federal laws. Approval of a modification or Improvement may not be deemed to constitute a waiver of the right to withhold approval of similar proposals, plans or specifications that are subsequently submitted.

9.6. **Prohibition of Construction, Alteration and Improvement.** Without the Architectural Reviewer's prior written approval, a Person may not commence or continue any material construction, alteration, addition, Improvement, installation, modification, redecoration, or reconstruction of or to the exterior of any Improvement on the Property, or do anything that materially affects the exterior appearance, of any Improvements on the Property. Any dispute as to whether or not any action outlined in this *Section 9.6* is material shall be determined by the Board in its sole discretion.

9.7. **No Deemed or Verbal Approval.** Approval by the Architectural Reviewer may not be deemed, construed, or implied from an action, a lack of action, or a verbal statement by the Declarant, Declarant's representative or designee or the Association, an Association director or officer, a member or chair of the Declarant or Board-appointed architectural control committee, the Association's manager, or any other representative of the Association. To be valid, approval of the Architectural Reviewer must be: (i) in writing; (ii) signed and dated by a duly authorized representative of the Architectural Reviewer, designated for that purpose; (iii) specific to a Unit; and (iv) accompanied by plans and specifications showing the proposed change. If the Architectural Reviewer fails to respond in writing - negatively, affirmatively, or requesting information - within sixty (60) days after the Architectural Reviewer's actual receipt of the Owner's application, the application is deemed denied. Under no circumstance may approval of the Architectural Reviewer be deemed, implied or presumed. If the Architectural

Reviewer approves a change, the Owner or the Architectural Reviewer may require that the architectural approval be Recorded.

9.8. **Application.** To request Architectural Reviewer approval, an Owner must make written application and submit plans and specifications showing the nature, kind, shape, color, size, materials, and locations of the work to be performed. The application must identify any requirement of this Declaration for which a variance is sought.

9.9. **Owner's Duties.** If the Architectural Reviewer approves an Owner's application, the Owner may proceed with the Improvement, provided:

(i) The Owner must adhere to the plans and specifications approved by the Architectural Reviewer.

(ii) The Owner must initiate and complete the Improvement in a timely manner.

(iii) If the approved application is for work that requires a building permit from a Governmental Authority, the Owner must obtain the appropriate permit. The Architectural Reviewer's approval of plans and specifications does not mean that they comply with the applicable Governmental Authority's requirements. Alternatively, approval by the applicable Governmental Authority does not ensure Architectural Reviewer approval.

**ARTICLE 10**  
**USE RESTRICTIONS**

10.1. **Variance.** The Property is subject to the restrictions contained in this Declaration, and subject to the Rules. During the Development Period, the Declarant may grant a variance or waiver of a restriction or Rule on a case-by-case basis and may limit or condition its grant. The Board, with the Declarant's written consent during the Development Period, may grant a variance or waiver of a restriction or Rule on a case-by-case basis and may limit or condition its grant. To be effective, a variance must be in writing and executed by the Declarant and/or a Majority of the Board, as applicable. The grant of a variance shall not constitute a waiver or estoppel of the right to deny a variance in other circumstances.

10.2. **Association's Right to Promulgate Rules and Amend Community Manual.** The Association, acting through the Board, is granted the right to adopt, amend, repeal, and enforce reasonable Rules, and penalties for infractions thereof, regarding the occupancy, use, disposition, maintenance, appearance, and enjoyment of the Property. The Board is further granted the right to amend, repeal, and enforce the Community Manual, setting forth therein such policies governing the Association as the Board determines. During the Development Period, any adoption, modification, amendment, or repeal to the Community Manual or the

Rules, and each new policy or Rule, must be approved in advance and in writing by the Declarant.

10.3. **Abandoned Personal Property.** Personal property shall not be kept, or allowed to remain for more than forty-eight (48) hours upon any portion of the Common Elements, without the prior written consent of the Board. If the Board determines that a violation exists, then, the Board may remove and either discard or store the personal property in a location which the Board may determine and shall have no obligation to return, replace or reimburse the Owner of the property; provided, however, in such case, the Board shall give the Owner, if known, notice of the removal of the property and the disposition of the property within twenty-four (24) hours after the property is removed. Neither the Declarant, the Association, the Board, or any member, officer or agent of the Association shall be liable to any Person for any claim of damage resulting from the removal activity in accordance herewith. The Board may elect to impose fines or use other available remedies, rather than exercise its authority to remove property hereunder.

10.4. **Appearance.** Both the exterior and the interior of the Improvements constructed within a Unit must be maintained in a manner so as not be unsightly when viewed from the street, Common Elements, or other Units. The Declarant during the Development Period and the Board thereafter, will be the arbitrator of acceptable appearance standards.

10.5. **Driveways.** Sidewalks, driveways, and other passageways may not be used for any purpose that interferes with their ongoing use as routes of vehicular or pedestrian access.

10.6. **Signs.** No sign of any kind, including signs (including signs advertising portions of the Property for sale, for rent or for lease), may be erected, placed, or permitted to remain on the Property unless written approval has been obtained in advance from the Architectural Reviewer. The Architectural Reviewer may adopt sign guidelines associated with the erection and display of certain signs which guidelines may govern the location, nature, dimensions, number, and time period a sign may remain on the Property or a Unit. As used in this *Section 10.6*, "sign" includes, without limitation, lettering, images, symbols, pictures, shapes, lights, banners, and any other representation or medium that conveys a message. The Architectural Reviewer, acting through the Association, may effect the immediate removal of any sign or object which has not been approved in advance by the Architectural Reviewer.

10.7. **Hazardous Activities.** No activities will be conducted on the Regime and no Improvements constructed on the Regime, which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms or fireworks may be discharged upon the Regime and no open fires may be lighted or permitted.

10.8. **Use of the Units.** All portions of a Unit shall be used only for such purposes that: (i) are permitted by Applicable Law; and (ii) conform to the Rules.

10.9. **Mining and Drilling.** No portion of the Regime will be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth.

10.10. **Compliance with Applicable Law.** No Owner will permit anything to be done within the Regime or any portion thereof that would violate in any respect any Applicable Law, or that would be in violation of any covenant, condition or restriction set forth in this Declaration. Without limitation on the foregoing, each Owner must cause his Unit to at all times comply in all material respects with Applicable Law. Notwithstanding any provisions herein to the contrary, however, each Owner will be entitled to in good faith and with due diligence contest and challenge any applicable governmental ordinance, rule or regulation.

## **ARTICLE 11**

### **ASSOCIATION OPERATIONS**

11.1. **Board.** Unless the Documents expressly reserve a right, action, or decision to the Owners, Declarant, or another party, the Board acts in all instances on behalf of the Association. Unless the context indicates otherwise, references in the Documents to the "Association" means "the Association acting through its Board of Directors."

#### 11.2. **The Association.**

11.2.1. **Generally.** The duties and powers of the Association are those set forth in the Documents, together with the general and implied powers of a condominium association and a nonprofit corporation organized under Applicable Law, except as set forth in the Documents. Generally, the Association may do any and all things that are lawful and necessary, proper, or desirable in operating for the peace, health, comfort, and general benefit of its Members, subject only to the limitations on the exercise of such powers as stated in the Documents. The Association comes into existence on issuance of its corporate charter. The Association will continue to exist at least as long as the Declaration is effective against the Property, regardless of whether its corporate charter lapses from time to time.

11.2.2. **Further Rights.** In addition to and not in limitation of all other rights it may have, the Association, acting through the Board, shall have the right and authority to take any or all of action set forth below:

- (i) To make and to enforce reasonable Rules governing the use of the Units, the Common Elements, and each Wastewater System;
- (ii) To enforce the Documents by the imposition of reasonable monetary fines and suspension of use and voting privileges as permitted pursuant to the Act;

(iii) To grant and accept permits, licenses, utility easements, leases, and other easements;

(iv) To acquire, hold, and dispose of tangible and intangible personal property and real property;

(v) To enter into joint agreements and contracts with any Owner or any third party for the provision of services, including, without limitation, management, landscaping, porter, utilities, concierge and property monitoring services, and trash removal services; and

(vi) To control, manage, operate, maintain, improve and replace all portions of the General Common Elements (including each Wastewater System).

11.3. **Governance During the Declarant Control Period.** The Board will consist of three (3) Board members, initially appointed by the Declarant. During the Declarant Control Period, the Declarant will have the exclusive authority to appoint and remove all officers and directors of the Association. Within one hundred and twenty (120) days after fifty percent (50%) percent of the maximum number of Units that may be created have been conveyed to Owners other than Declarant, at least one-third (1/3) of the Board must be elected by Owners other than Declarant.

11.4. **Membership.** Each Owner is a Member of the Association, ownership of a Unit being the sole qualification for membership. If a Unit is owned by more than one Person or entity, each Owner is a Member of the Association and may exercise the membership rights appurtenant to the Unit.

11.5. **Manager.** The Board may delegate the performance of certain functions to one or more managers or managing agents of the Association. Notwithstanding any delegation of its functions, the Board is ultimately responsible to the Members for governance of the Association.

11.6. **Books and Records.** The Association will maintain copies of the Documents and the Association's books, records, and financial statements. Books and records of the Association will be made available for inspection and copying pursuant to the requirements of Chapter 22 of the Texas Business Organizations Code.

11.7. **Indemnification.** The Association indemnifies every officer, director, and committee member (for purposes of this Section, "Leaders") of the Association against expenses, including attorney's fees, reasonably incurred by or imposed on the Leader in connection with any threatened or pending action, suit, or proceeding to which the Leader is a party or respondent by reason of being or having been a Leader. A Leader is not liable for a mistake of judgment. A Leader is liable for the Leader's willful misfeasance, malfeasance,

misconduct, or bad faith. This right to indemnification does not exclude any other rights to which present or former Leaders may be entitled. As a Common Expense, the Association may maintain general liability and directors' and officers' liability insurance to fund this obligation.

## **ARTICLE 12**

### **ENFORCING THE DOCUMENTS**

12.1. **Remedies.** The remedies provided in this Article for breach of the Documents are cumulative and not exclusive. In addition to other rights and remedies provided by the Documents and by Applicable Law, the Association has the following rights to enforce the Documents:

12.1.1. **Nuisance.** The result of every act or omission that violates any provision of the Documents is a nuisance, and any remedy allowed by law against a nuisance, either public or private, is applicable against the violation.

12.1.2. **Fine.** The Association may levy reasonable charges, as an Individual Assessment, against an Owner and the Owner's Unit or interest in a Unit if the Owner or Occupant, or their respective family members, guests, employees, agents, or contractors violate a provision of the Documents. Fines may be levied for each act of violation or for each day a violation continues, and do not constitute a waiver or discharge of the Owner's obligations under the Documents.

12.1.3. **Legal Proceedings.** Failure to comply with the Documents will be grounds for an action to recover damages or for injunctive relief to cause any such violation to be remedied, or both. Prior to commencing any legal proceeding, the Board will give the defaulting party thirty (30) days' notice of its intent to commence a legal proceeding; provided that if the defaulting party cannot reasonably cure the violation within the thirty (30) day period, then such thirty (30) day period will be extended if the defaulting party has commenced to cure such violation after the effective date of the notice and within the thirty (30) day period and proceeds in good faith, continuously, and with due diligence to remedy and correct any such violation.

12.2. **Board Discretion.** The Board may use its sole discretion in determining whether to pursue a violation of the Documents, provided the Board does not act in an arbitrary or capricious manner. In evaluating a particular violation, the Board may determine that under the particular circumstances: (i) the Association's position is not sufficiently strong to justify taking any or further action; (ii) the provision being enforced is or may be construed as inconsistent with Applicable Law; (iii) although a technical violation may exist, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the

Association's resources; or (iv) that enforcement is not in the Association's best interests, based on hardship, expense, or other reasonable criteria.

12.3. **No Waiver.** The Declarant, the Association and every Owner has the right to enforce all restrictions, conditions, covenants, liens, and charges now or hereafter imposed by the Documents. Failure by the Declarant, the Association, or any Owner to enforce a provision of the Documents is not a waiver of the right to do so thereafter.

12.4. **Recovery of Costs.** The costs of curing or abating a violation are the expense of the Owner or other Person responsible for the violation. If legal assistance is obtained to enforce any provision of the Documents, or in any legal proceeding (whether or not suit is brought) for damages or for the enforcement of the Documents or the restraint of violations of the Documents, the prevailing party is entitled to recover from the non-prevailing party all reasonable and necessary costs incurred by it in such action, including reasonable attorneys' fees.

12.5. **Notice and Hearing.** Before levying a fine for violation of the Documents (other than nonpayment of Assessments), or before levying an Individual Assessment for property damage, the Association will give the Owner written notice of the proposed levy and an opportunity to be heard. The Association's written notice must contain: (i) a description of the violation or property damage; (ii) the amount of the proposed fine or damage charge; (iii) a statement that not later than the thirtieth (30<sup>th</sup>) day after the date of the notice, the Owner may request a hearing before the Board to contest the fine or charge; and (iv) a stated date by which the Owner may cure the violation to avoid the fine, unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding twelve (12) months. The Association may also give a copy of the notice to any Occupant. Pending the hearing, the Association may continue to exercise its other rights and remedies for the violation, as if the declared violation were valid. The Owner's request for a hearing suspends only the levy of a fine or damage charge. The Owner may attend the hearing in person, or may be represented by another Person or written communication. The Board may adopt additional or alternative procedures and requirements for notices and hearing, provided they are consistent with the requirements of Applicable Law.

12.6. **Injury to Person or Property.** NEITHER THE ASSOCIATION NOR DECLARANT, OR THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, OR EMPLOYEES, HAVE A DUTY OR OBLIGATION TO ANY OWNER, ANY OCCUPANT OR THEIR RESPECTIVE PERMITTEES: (I) TO SUPERVISE ANY PERSON; OR (II) TO PROVIDE SECURITY OR PROTECTION TO ANY OWNER, ANY OCCUPANT OR THEIR RESPECTIVE PERMITTEES FROM HARM OR LOSS. BY ACCEPTING TITLE TO A UNIT, EACH OWNER AGREES THAT THE LIMITATIONS SET FORTH IN THIS SECTION ARE REASONABLE AND CONSTITUTE THE EXERCISE OF ORDINARY CARE BY THE ASSOCIATION AND DECLARANT. EACH OWNER AGREES TO INDEMNIFY AND HOLD HARMLESS THE

ASSOCIATION AND DECLARANT, AND DECLARANT'S AGENTS FROM ANY CLAIM OF DAMAGES, TO PERSON OR PROPERTY ARISING OUT OF AN ACCIDENT OR INJURY IN OR ABOUT THE REGIME TO THE EXTENT AND ONLY TO THE EXTENT CAUSED BY THE ACTS OR OMISSIONS OF SUCH OWNER OR THE OWNER'S PERMITTEES TO THE EXTENT SUCH CLAIM IS NOT COVERED BY INSURANCE OBTAINED BY THE ASSOCIATION AT THE TIME OF SUCH ACCIDENT OR INJURY.

### **ARTICLE 13** **INSURANCE**

13.1. **General Provisions.** The broad purpose of this Article is to require that the Regime be insured with the types and amounts of coverage that are customary for similar types of properties and that are acceptable to mortgage lenders, guarantors, or insurers that finance the purchase or Improvement of Units, and in accordance with the Ground Lease. The Board will make every reasonable effort to comply with the requirements of this *Article 15*.

13.1.1. **Unavailability.** The Association, and its directors, officers, and managers, will not be liable for failure to obtain any coverage required by this Article or for any loss or damage resulting from such failure if the failure is due to the unavailability of a particular coverage from reputable insurance companies, or if the coverage is available only at demonstrably unreasonable cost.

13.1.2. **No Coverage.** Even if the Association and the Owners have adequate amounts of recommended and required coverages, the Regime may experience a loss that is not covered by insurance. In that event, the Association is responsible for restoring the General Common Elements (including each Wastewater System) as a Common Expense, and the Owner is responsible for restoring the Owner's Unit and Limited Common Elements.

13.1.3. **Requirements.** The cost of insurance coverages and bonds maintained by the Association is a Common Expense unless allocable to an Owner as provided in this Article. The Association's policies should contain the standard mortgage clause. The loss payee clause should show the Association as trustee for each Owner and each such Owner's Registered Mortgagee. Policies of property and general liability insurance maintained by the Association must provide that the insurer waives its rights to subrogation under the policy against an Owner. The Association's insurance policies will not be prejudiced by the act or omission of any Owner or Occupant who is not under the Association's control.

13.1.4. **Association as Trustee.** Each Owner irrevocably appoints the Association, acting through its Board, as such Owner's trustee to negotiate, receive, administer, and distribute the proceeds of any claim against an insurance policy



maintained by the Association. The Association shall hold the proceeds of any claim in trust for the benefit of each Owner, including Declarant, and such Owner's Registered Mortgagee, if any.

13.1.5. Notice of Cancellation or Modification. Each insurance policy maintained by the Association should contain a provision requiring the insurer to give prior written notice, as provided by the Act, to the Board before the policy may be canceled, terminated, materially modified, or allowed to expire, by either the insurer or the insured. The Board will give to Registered Mortgagees, and the insurer will give to Registered Mortgagees, notices of cancellation, termination, expiration, or material modification.

13.2. **Deductibles.** An insurance policy obtained by the Association may contain a deductible, and the amount thereof may not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the coverage limits required by the Act or this Declaration. In the event of an insured loss, the deductible is treated as a Common Expense. However, if the Board reasonably determines that the loss is the result of the negligence or willful misconduct of an Owner or Occupant, then the Board may levy an Individual Assessment against the Owner and such Owner's Unit for the amount of the deductible that is attributable to the act or omission.

13.3. **Insurance – Association.** The Association will obtain blanket all-risk insurance if reasonably available, for all Common Elements insurable by the Association, including each Wastewater System. If blanket all-risk insurance is not reasonably available, then at a minimum, the Association will obtain an insurance policy providing fire and extended coverage. This insurance must be in an amount sufficient to cover one-hundred percent (100%) of the replacement cost of any repair or reconstruction in event of damage or destruction from any insured hazard.

The Association will maintain a commercial general liability insurance policy over the Common Elements – expressly excluding the liability of each Owner and Occupant within his Unit – for bodily injury and property damage resulting from the operation, maintenance, or use of the Common Elements.

The Association may maintain directors and officer's liability insurance, errors and omissions insurance, indemnity bonds, or other insurance the Board deems advisable to insure the Association's directors, officers, committee members, and managers against liability for an act or omission in carrying out their duties in those capacities. The Association may maintain any insurance policies and bonds deemed by the Board to be necessary or desirable for the benefit of the Association.

13.4. **Insurance – Owner.** In no event will the Association maintain property insurance or general liability insurance on any Units. Each Owner shall be obligated to

maintain property insurance on such Owner's Unit, including any Improvements constructed within or exclusively serving such Unit, in an amount sufficient to cover one-hundred percent (100%) of the replacement cost of any repair or reconstruction in event of damage or destruction from any insured hazard. Each Owner will also be obligated to maintain a commercial general liability insurance policy for bodily injury and property damage resulting from the operation, maintenance, or use of its Unit. The amount of coverage shall be commercially reasonable. All commercial general liability policies shall name each Owner as an additional insured. Upon request by the Board, the Owner shall furnish a copy of such insurance policy or policies to the Association on an annual basis.

**THE ASSOCIATION DOES NOT INSURE UNITS, LIMITED COMMON ELEMENTS OR ANY IMPROVEMENTS CONSTRUCTED THEREON.**

If any Improvements of a Unit are damaged or destroyed, the Owner of such Unit may, but shall have no obligation to, repair, restore or rebuild the Improvements within such Unit; provided, however, the Owner thereof shall comply with all Applicable Law concerning the condition and protection of the damaged Improvements, and if the Owner thereof elects not to repair, restore or rebuild the Improvements within the Unit, such Owner, at its sole cost and expense, shall promptly raze any damaged improvements and restore the area where such Improvements were located into its condition prior to construction of such Improvements, and shall thereafter maintain such area in good condition and in accordance with all Applicable Law. An Owner shall give the Association notice in case of fire or other material and substantial casualty promptly after such Owner is aware of any such event.

If the whole or any part of any Improvements within a Unit are damaged or destroyed, and if the Owner thereof elects to rebuild the Improvements within the Unit, the Owner shall, at its sole cost and expense, promptly repair, restore or rebuild the Improvements to substantially the condition they were in immediately prior to such damage or destruction, except to the extent otherwise approved by the Architectural Reviewer. All restoration work, if undertaken, shall be promptly commenced and performed with due diligence in a good and workmanlike manner and in accordance with Applicable Law and plans and specifications for such work reasonably approved by the Architectural Reviewer.

**ARTICLE 14**  
**TERMINATION AND CONDEMNATION**

14.1. **Association as Trustee.** Each Owner hereby irrevocably appoints the Association, acting through the Board, as trustee to deal with the Common Elements in the event of damage, destruction, obsolescence, condemnation, or termination of all or any part of the Common Elements. As trustee, the Association will have full and complete authority, right, and power to: (i) do all things reasonable and necessary to effect the provisions of this Declaration and the Act, including, without limitation, the right to receive, administer, and distribute funds, awards, and insurance proceeds; (ii) effect the sale of the Common Elements as

permitted by this Declaration or by the Act; and (iii) make, execute, and deliver any contract, deed, or other instrument with respect to the interest of an Owner.

14.2. **Termination.** Termination of the terms of this Declaration and the condominium status of the Property will be governed by Section 82.068 of the Act.

14.3. **Condemnation.** The Association’s response to condemnation of any part of the Property will be governed by Section 82.007 of the Act.

**ARTICLE 15**  
**AMENDMENTS**

15.1. **Consents Required.** To the extent expressly permitted by this Declaration, certain amendments of this Declaration may be executed by Declarant acting alone, or by certain Owners acting alone, or by the Board acting alone, unless otherwise prohibited by the Ground Lease. Otherwise, amendments to this Declaration must be approved by all of the Owners representing eighty hundred percent (80%) of the votes in the Association.

15.2. **Effective.** To be effective, an amendment must be in the form of a written instrument: (i) referencing the name of the Regime, the name of the Association, and the Recording data of this Declaration and any amendments hereto; (ii) signed and acknowledged by an officer of the Association, certifying the requisite approval of Owners; and (iii) Recorded.

15.3. **Declarant Provisions.**

15.3.1. **Declarant.** Declarant hereby reserves the right to unilaterally amend this Declaration for the following purposes:

- (i) to meet the requirements, standards, or recommended guidelines of an Underwriting Lender to enable an institutional or governmental lender to make or purchase mortgage loans on the Units;
- (ii) to correct any defects in the execution of this Declaration or the other Documents;
- (iii) to add real property to the Regime;
- (iv) to create Units, General Common Elements, and Limited Common Elements within the Regime or within real property that may be added to the Regime;
- (v) to subdivide Units or convert Units into General Common Elements or Limited Common Elements;

(vi) to withdraw all or any portion of the Property from the terms of this Declaration and the Regime, provided that no Unit proposed to be withdrawn from the Declaration and the Regime has been conveyed to an Owner other than Declarant;

(vii) to resolve conflicts, clarify ambiguities, and to correct misstatements, errors, or omissions in the Documents;

(viii) to exercise any Development Rights listed in *Section 1.21* of this Declaration, not otherwise described in this *Section 15.3*; and

(ix) to exercise any development right as defined in Section 82.003(12) of the Act, not otherwise described in this *Section 15.3*.

15.3.2. Additional Rights. An amendment that may be executed by Declarant alone is not required to name the Association or to be signed by an officer of the Association. No amendment may affect Declarant’s rights under this Declaration or the Act without Declarant’s written and acknowledged consent, which must be part of the Recorded amendment instrument. During the Development Period, this Section may not be amended without Declarant’s written and acknowledged consent.

**ARTICLE 16**  
**DISCLOSURES**

16.1. Budgets. Any budgets provided by the Association or Declarant are based on estimated expenses only without consideration for the effects of inflation and may increase or decrease significantly when the actual expenses become known. Accordingly, if the actual expenses exceed estimated expenses, the Assessments or charges levied to discharge such expenses will be different from the estimated amounts.

16.2. Adjacent Thoroughfares. The Property is located adjacent to thoroughfares that may be affected by traffic and noise from time to time and may be improved and/or widened in the future.

16.3. Adjacent Property. No representations are made regarding the zoning of adjacent property, or that the category to which adjacent property is zoned may not change in the future.

16.4. Erosion/Flooding. The Property may be subject to erosion and/or flooding during unusually intense or prolonged periods of rain.

16.5. Security. **THE ASSOCIATION AND/OR THE DECLARANT MAY, BUT IS NOT OBLIGATED TO, MAINTAIN OR SUPPORT CERTAIN ACTIVITIES WITHIN THE**

PROPERTY DESIGNED, EITHER DIRECTLY OR INDIRECTLY, TO IMPROVE SAFETY IN OR ON THE PROPERTY. EACH OWNER AND OCCUPANT ACKNOWLEDGES AND AGREES, FOR HIMSELF AND HIS GUESTS, THAT THE DECLARANT, THE ASSOCIATION AND THEIR RESPECTIVE PARTNERS, DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES ARE NOT PROVIDERS, INSURERS, OR GUARANTORS OF SECURITY WITHIN THE PROPERTY. EACH OWNER AND OCCUPANT ACKNOWLEDGES AND ACCEPTS HIS SOLE RESPONSIBILITY TO PROVIDE SECURITY FOR HIS OWN PERSON AND PROPERTY, AND ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO SAME. EACH OWNER AND OCCUPANT FURTHER ACKNOWLEDGES THAT THE DECLARANT, THE ASSOCIATION, AND THEIR RESPECTIVE PARTNERS, DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS THE OWNER OR OCCUPANT RELIED ON ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE, BURGLARY, AND/OR INTRUSION SYSTEMS RECOMMENDED OR INSTALLED, OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTY. EACH OWNER AND OCCUPANT ACKNOWLEDGES AND AGREES THAT THE DECLARANT, THE ASSOCIATION, AND THEIR RESPECTIVE PARTNERS, DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES MAY NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN.

#### ARTICLE 17

#### REGISTERED MORTGAGEE PROTECTION PROVISIONS

17.1. **Notice Provisions.** All Registered Mortgagees shall be entitled to receive the following notices in writing from the Association or any Owner exercising rights affecting that Registered Mortgagee's borrower's rights under this Declaration or affecting the Registered Mortgagee's rights, as the case may be:

- (i) notice of any proposed action which requires the consent of Registered Mortgagees, which notice shall be given not less than 30 days prior to the desired effective date of such action;
- (ii) notice of default by the Owner (the beneficial interest in which Unit is held by that Registered Mortgagee) in the performance of such Owner's obligations, delinquency in the payment of Assessments owed by such Owner or Governmental Impositions which remains uncured for a period of 60 days after notice thereof;

(iii) notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond required to be maintained hereunder by the Association or by any Owner;

(iv) notice of any damage or destruction to or condemnation of any portion of the Regime that affects either a material portion of the Property or a Unit, the beneficial interest in which is held by that Registered Mortgagee, which notice shall be given promptly upon the Association's obtaining knowledge of such damage or destruction;

(v) 60 days notice prior to the Association instituting any foreclosure action on any Unit; and

(vi) 30 days notice prior to the effective date of (i) any proposed material amendment to this Declaration or the Plat and Plans; (ii) any termination of an agreement for professional management of the Property following any decision of the Owners to assume self-management of the Property; and (iii) any proposed termination of the Regime.

17.2. **Cure Rights.** Any Registered Mortgagee shall have the right, but not the obligation, at any time prior to the termination of this Declaration, and without payment of any penalty, to do any act or thing required of such Registered Mortgagee's borrower hereunder; and to do any act or thing which may be necessary or proper to be done in the performance and observance of the agreements, covenants and conditions of such Owner in this Declaration. All payments so made and all things so done and performed by any Registered Mortgagee shall be effective to prevent a default under this Declaration as the same would have been if made, done and performed by Declarant or any Owner instead of by said Registered Mortgagee. Any event of default under this Declaration which in the nature thereof cannot be remedied by Registered Mortgagee shall be deemed to be remedied if within, 30 days after receiving written notice from the non-defaulting party setting forth the nature of such event of default, or prior thereto the Registered Mortgagee shall: (i) have acquired the property owned by the defaulting party (the "**Acquired Property**") or commenced foreclosure or other appropriate proceedings in the nature thereof, and shall thereafter diligently prosecute any such proceedings; (ii) have fully cured any default in the payment of any monetary obligations owed the non-defaulting party hereunder within such 30 day period and shall thereafter continue to perform faithfully all such non-monetary obligations which do not require possession of the Acquired Property; and (iii) after gaining possession of the Acquired Property following a foreclosure or deed in lieu thereof, the Registered Mortgagee performs all future obligations of the defaulting party hereunder as and when the same are due.

17.3. **No Invalidity of Mortgage Lien.** No violation of this Declaration by, or enforcement of this Declaration against, any party shall affect, impair, defeat or render invalid the lien of any mortgage that secures any Priority Lien Indebtedness.

17.4. **Registered Mortgagee Requirements.** The Association agrees to cooperate reasonably with any requesting party in regard to the satisfaction of requests or requirements by a Registered Mortgagee; provided, however, such cooperation shall be at the sole cost and expense of the requesting party, and provided, further, that no party shall be deemed obligated to accede to any request or requirement that materially and adversely affects its rights under this Declaration.

17.5. **Unpaid Assessments.** Each Person holding a mortgage secured by any Priority Lien Indebtedness encumbering any Unit, which Person obtains title to such Unit pursuant to judicial foreclosure, or the powers provided in such mortgage, or a deed in lieu of foreclosure, shall take title to such Unit free and clear of any claims for unpaid Assessments against such Unit which accrued prior to the time such Person acquires title to such Unit, except as otherwise set forth in *Article 6* of this Declaration.

17.6. **Books and Records.** All Registered Mortgagees, upon written request, shall have the right to: (i) examine the books and records of the Association, including current copies of this Declaration, the Bylaws and the Rules and financial statements, during normal business hours; (ii) require the Association to submit an annual audited financial statement for the preceding fiscal year within 120 days of the end of the Association's fiscal year, if one is available, or have one prepared at the expense of the requesting Person if such statement is not otherwise prepared by the Association; (iii) receive written notice of all meetings of the Owners; and (iv) designate in writing a representative to attend all such meetings.

17.7. **Priority of Rights.** No provision of this Declaration shall be construed or applied to give any Owner priority over any rights of any Registered Mortgagee if the proceeds or awards are not applied to restoration but are distributed to the Owners after a casualty loss or condemnation of a Unit and/or the Common Elements.

## ARTICLE 18 GROUND LEASE PROVISIONS

18.1. **Subordination to Ground Lease.** Each Owner and Occupant, with acceptance of a deed to a Unit, shall be deemed to acknowledge that the Documents are subject and subordinate to the terms and provisions of the Ground Lease, except as otherwise provided in the Ground Lease or the Act.

18.2. **Recording Data.** The Ground Lease is evidenced by a Memorandum of Lease recorded as Document No. 2019-24914, Official Public Records of Bell County, Texas.

18.3. **Expiration Date.** The expiration date of the Ground Lease is June 11th, 2018.

18.4. **No Redemption Right.** The Owners do not have any right to redeem the reversion held by Ground Lessor.

18.5. **No Right to Remove Improvements.** The Owners do not have any right to remove Improvements from the Property after the expiration or termination of the Ground Lease.

18.6. **No Right to Renew.** The Owners do not have any right to renew the Ground Lease.

18.7. **Execution by Ground Lessor.** Ground Lessor executes this Declaration solely as provided by Section 82.056 of the Act. Ground Lessor shall have no responsibility for the compliance with any provision of this Declaration and shall have absolutely no liability or obligation regarding any provision hereof.

18.8. **Owner's Obligation for Base Rent.** Each Unit Owner is responsible for the Base Rent attributable to such Owner's Unit. The Base Rent is set forth in the Ground Lease. Base Rent shall be paid by each Owner in monthly installments to the Association. In the event that an Owner fails to pay any amount due pursuant to this *Section 18.8*, the Association and the Ground Lessor shall have the same remedies for non-payment of Assessments as set forth in *Article 7* (remedies afforded to the Association and discretionary authority assigned to the Board or Association pursuant to *Article 7* shall benefit or be exercised, as applicable, by the Ground Lessor). In addition, and not by way of limitation, the Association or Ground Lessor shall further have the right to cause a notice of the lien to be Recorded against the defaulting Owner's Unit, which lien may be enforced in the same method as is provided for the enforcement of Assessment liens in *Article 6* of this Declaration.

18.9. **Owner Assumption of Ground Lease Obligations.** Each Owner, with acceptance of a deed to a Unit, shall be deemed to assume any and all obligations, liabilities, limitations, rights, waivers, benefits or burdens that are vested or that may in the future become vested in or upon the "Lessee" pursuant to the Ground Lease and that are applicable to such Unit and as otherwise provided in this Declaration (the "Ground Lease Obligations"). The Ground Lease Obligations shall automatically be obligations, liabilities, limitations, rights, waivers, benefits or burdens of the Owners upon the Recordation of a deed to a Unit. This Section constitutes any assumption requirements set forth in the Ground Lease without any further action.

18.10. **Self-Help Regarding Ground Lease Events of Default.** Upon any Ground Lease Event of Default (as defined in the Ground Lease), the Association shall have the right, but not the obligation, to remedy or cause the remediation of any such default and the cost and



expense thereof (together with interest thereon not to exceed the lesser of eighteen percent (18%) per annum or the maximum rate permitted by Applicable Law from the date paid by the Association until the date such sum is repaid by the defaulting Owner), including the reimbursement of all attorney's fees incurred in connection with remedying such Ground Lease Event of Default, shall be assessed against the Owner or Owners creating the default and shall be secured by a lien upon such Owner's Unit. The Association shall have the right to cause a notice of the lien to be Recorded and such lien may be enforced in the same method as is provided for the enforcement of Assessment liens in this Declaration.

**18.11. INDEMNIFICATION RELATING TO GROUND LEASE OBLIGATIONS.** EACH OWNER SHALL INDEMNIFY AND HOLD HARMLESS EACH OF THE OTHER OWNERS, DECLARANT AND THE ASSOCIATION FROM AND AGAINST ALL LIABILITIES AND OBLIGATIONS ARISING FROM THE INDEMNIFYING OWNER FAILING TO COMPLY WITH ANY GROUND LEASE OBLIGATIONS.

## **ARTICLE 19**

### **GENERAL PROVISIONS**

19.1. **Notices.** Any notice permitted or required to be given by this Declaration will be in writing and may be delivered either by **electronic mail**, personally or by mail. Such notice will be deemed delivered at the time of personal or **electronic delivery**, and if delivery is made by mail, it will be deemed to have been delivered on the third day (other than a Sunday or legal holiday) after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the Person at the address given by such Person to the Association for the purpose of service of notices. Such address may be changed from time to time by notice in writing given by such Person to the Association.

19.2. **Estoppel Certificates.** Except as expressly provided in this *Section 19.2*, each Owner, from time to time but no more often than twice each calendar year, shall have the right to require the Association (as to all items listed in this *Section 19.2*) and the other Owners (as to *Sections 182(iii), (iv), (v) and (vi)*) to deliver to the requesting Owner a written statement addressed to the requesting Owner and its Registered Mortgagee or purchaser of its Unit, as applicable, without payment of any fee or cost certifying: (i) this Declaration is unmodified and in full force and effect (or if modified that this Declaration as so modified is in full force and effect); (ii) the Declaration attached to the certificate is a true and correct copy of this Declaration and all amendments hereto; (iii) the date through which all Assessments have been paid by the Owner requested to provide the certificate and by the Owner requesting such certificate; (iv) to the knowledge of the certifying party, neither the certifying party nor the requesting Owner is in default of any of its obligations under this Declaration (or if the certifying party knows the certifying party or requesting Owner to be in default, specifying the defaults and the remaining cure period, if any); (v) the certifying party holds no existing liens

against the requesting Owner's Unit; and (vi) such other matters as are reasonably requested by the requesting Owner.

19.3. **Compliance.** The Owners hereby covenant and agree that the administration of the Association will be in accordance with the provisions of the Documents and Applicable Law, regulations, and ordinances, as same may be amended from time to time, of any governmental or quasi-governmental entity having jurisdiction over the Association or Property.

19.4. **Conflicts.** The documents are subordinate to Applicable Law. Generally, the terms of the Documents are enforceable to the extent they do not violate or conflict with Applicable Law. If a conflict exists between the provisions of the Documents, then such documents shall control in the following order:

- (i) this Declaration;
- (ii) the Certificate;
- (iii) the Bylaws; and
- (iv) the Rules.

19.5. **Interpretation.** The provisions of this Declaration will be liberally construed to effectuate the purposes of creating a uniform plan for the development and operation of the Regime and of promoting and effectuating the fundamental concepts of the Regime set forth in the Documents. The Documents shall be construed and governed under the laws of the State of Texas.

19.6. **Duration.** Unless earlier terminated or amended by Owners, or the Declarant as permitted herein, the provisions of this Declaration run with and bind the Regime, and will remain in effect for the duration of the Ground Lease to the extent permitted by Applicable Law.

19.7. **Captions.** In all Documents, the captions of articles and sections are inserted only for convenience and are in no way to be construed as defining or modifying the text to which they refer. Boxed notices are inserted to alert the reader to certain provisions and are not to be construed as defining or modifying the text.

19.8. **Construction.** The provisions of this Declaration will be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof will not affect the validity or enforceability of any other provision or portion thereof. Unless the context requires a contrary construction, the singular will include the plural and the plural the singular; and the masculine, feminine, or neuter will each include the masculine, feminine, and

neuter. All captions and titles used in this Declaration are intended solely for convenience of reference and will not enlarge, limit or otherwise effect that which is set forth in any of the paragraphs, sections, or articles hereof.

19.9. **Attachments**. The following attachments are attached to this Declaration and are incorporated herein by reference:

- Exhibit "A" – The Property
- Attachment 1 – Bylaws
- Attachment 2 – Plat and Plans
- Attachment 3 – Encumbrances

EXECUTED on this 11th day of JUNE, 2019.

**DECLARANT:**

**2TX MANAGEMENT, LLC,**  
a Texas limited liability company

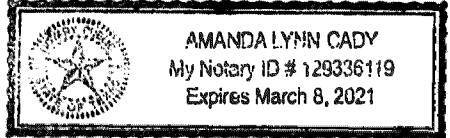
By: [Signature]  
Name: MARK Pollack  
Title: MANAGING PARTNER

THE STATE OF TEXAS §  
COUNTY OF Bell §

This instrument was acknowledged before me on this 11th day of June, 2019  
by Mark Pollack, Managing Member of 2TX Management, LLC, a Texas limited liability  
company, on behalf of said limited liability company.

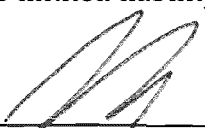
[Signature]  
Notary Public, State of Texas

(seal)



**GROUND LESSOR:**

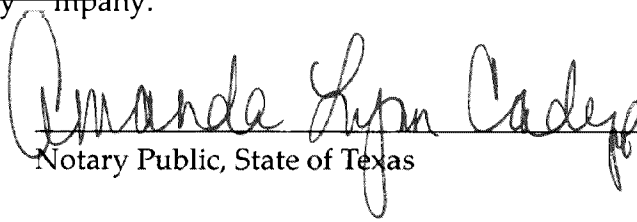
**SALADO AIRPORT, LLC,**  
a Texas limited liability company

By:   
Name: MARK POLLACK  
Title: MANAGING PARTNER

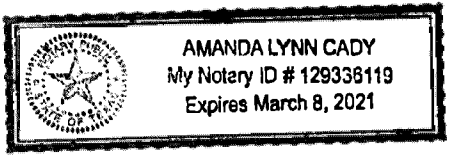
THE STATE OF TEXAS §

COUNTY OF Bell §

This instrument was acknowledged before me on this 11<sup>th</sup> day of June, 2019  
by Mark Pollack, Managing Partner of Salado Airport, LLC, a Texas limited liability  
company, on behalf of said limited liability company.

  
Notary Public, State of Texas

(seal)



**EXHIBIT "A"**  
**PROPERTY**

A TRACT OF LAND SITUATED IN THE WILLIAM ROBERTS SURVEY, ABSTRACT NO. 708, THE V.R. PALMER SURVEY, ABSTRACT NO. 662 AND THE JAMES P. WALLACE SURVEY, ABSTRACT NO. 902, BELL COUNTY, TEXAS AND BEING A PORTION OF TRACT ONE DESCRIBED IN A DEED TO SALADO AIRPORT, LLC, RECORDED IN INSTRUMENT NO. 2017-00021920, DEED RECORDS OF BELL COUNTY, TEXAS, AND BEING ALL OF TRACT TWO, TRACT THREE, TRACT FOUR AND TRACT FIVE DESCRIBED IN A DEED TO SALADO AIRPORT, LLC, RECORDED IN INSTRUMENT NO. 2017-00021619, DEED RECORDS OF BELL COUNTY, TEXAS.

Exhibit "A" – Page 1

DECLARATION OF CONDOMINIUM REGIME  
SALADO AIRPORT CONDOMINIUMS

**ATTACHMENT 1**

**SALADO AIRPORT CONDOMINIUM COMMUNITY, INC.**

**BYLAWS**

(a Texas condominium association)

**ARTICLE 1**

**INTRODUCTION**

1.1. **Property.** These Bylaws of Salado Airport Condominium Community, Inc., provide for the governance of the condominium regime known as Salado Airport Condominiums, established on certain real property located in Bell County, Texas (the "**Property**"), as more particularly described in that certain Declaration of Condominium Regime for Salado Airport Condominiums, recorded or to be recorded in the Official Public Records of Bell County, Texas (the "**Declaration**").

1.2. **Parties to Bylaws.** All present or future Owners and all other persons who use or occupy the Property in any manner are subject to these Bylaws, the Declaration, and the other Documents as defined in the Declaration. The mere acquisition or occupancy of a Unit will signify that these Bylaws are accepted, ratified, and will be strictly followed.

1.3. **Definitions.** Words and phrases defined in the Declaration have the same meanings when used in these Bylaws. Article 1 of the Declaration is incorporated herein by reference.

1.4. **Nonprofit Purpose.** The Association is organized to be a nonprofit corporation.

1.5. **General Powers and Duties.** The Association, acting through the Board, has the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Property as may be required or permitted by the Documents and Applicable Law. The Association may do any and all things that are lawful and which are necessary, proper, or desirable in operating for the best interests of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Documents.

**ARTICLE 2**

**BOARD OF DIRECTORS**

2.1. **Governance.** During the Declarant Control Period, the Board will consist of three (3) persons. 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 may not be less than three (3).

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

2.2.1. **Owners.** At least a Majority of the Directors must be Members of the Association or spouses of Members.

2.2.2. **Entity Member.** If a Unit is owned by a legal entity, such as a partnership or corporation, any officer, partner, agent, or employee of that entity Member is eligible to serve as a Director and is deemed to be a Member for the purposes of this Section. If the relationship between the entity Member and the Director representing it terminates, that directorship will be deemed vacant.

2.2.3. **Delinquency.** No person may be elected or appointed as a Director if any assessment or fine against the person or his Unit is delinquent at the time of election or appointment, provided he has been given notice of the delinquency and a reasonable opportunity to cure the delinquency.

2.2.4. **Litigation.** No person may be elected or appointed as a Director if the person is a party adverse to the Association or the Board in pending litigation to which the Association or the Board is a party.

2.3. **Election.** Directors will be elected by the Members of the Association. The election of Directors will be conducted at the annual meeting of the Association, at any special meeting called for that purpose, or by mail, facsimile transmission, electronic mail, or a combination of any of these.

2.4. **Vacancies.** Vacancies on the Board caused by any reason, except the removal of a Director by a vote of the Association, are 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 serves until the next meeting of the Association, at which time a successor will be elected to fill the remainder of the term

2.5. **Removal of Directors.**

2.5.1. **Removal by Members.** 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 of the votes present in person or by proxy at the meeting, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Members must be given an opportunity to be heard at the meeting.

2.5.2. **Removal by Directors.** A Director may not be removed by the officers or by the remaining Directors, except for the following limited reasons for which a Director



may be removed by at least a Majority of the other Directors at a meeting of the Board called for that purpose:

- i. The Director is a party adverse to the Association or the Board in pending litigation to which the Association or the Board is a party; provided the Association did not file suit to effect removal of the Director.
- ii. The Director's account with the Association has been delinquent for at least ninety (90) days or has been delinquent at least three (3) times during the preceding twelve (12) months; provided he was given notice of the default and a reasonable opportunity to cure.
- iii. The Director has refused or failed to attend three (3) or more meetings of the Board during the preceding twelve (12) months; provided he was given proper notice of the meetings.
- iv. The Director has refused or failed to cure a violation of the Documents for which he has been given notice, a reasonable opportunity to cure, and an opportunity to request a hearing before the Board.

**2.6. Meetings of the Board.**

2.6.1. Organizational Meeting of the Board. Within ten (10) days after the annual meeting, the directors will convene an organizational meeting for the purpose of electing officers. The time and place of the meeting will 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 a time and place that the Board determines, from time to time, but at least one (1) such meeting must be held each calendar year. Notice of regular meetings of the Board will be given to each director, personally or by telephone, written, or electronic communication, at least five (5) days prior to the date of the meeting.

2.6.3. Special Meetings of the Board. Special meetings of the Board may be called by the president or, if the president is absent or refuses to act, by the secretary, or by any two (2) directors. At least five (5) days' notice will be given to each director, personally or by telephone, written, or electronic communication, which notice must state the place, time, and purpose of the meeting.

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

2.6.5. Conduct of Meetings. The president presides over meetings of the Board and the secretary keeps, or causes to be kept, a record of resolutions adopted by the Board and a record of transactions and proceedings occurring at meetings. When not in conflict with law or the Documents, the then current edition of Robert's Rules of Order governs the conduct of the meetings of the Board.

2.6.6. Quorum. At meetings of the Board, a Majority of Directors constitutes a quorum for the transaction of business, and the acts of the Majority of the Directors present at a meeting at which a quorum is present are the acts of the Board. If less than a quorum is present at a meeting of the Board, the Majority of those present may adjourn the meeting from time to time. At any reconvened meeting at which a quorum is present, any business that may have been transacted at the meeting as originally called may be transacted without further notice. Directors may not participate by proxy at meetings of the Board.

2.6.7. Open Meetings. Regular and special meetings of the Board are open to Members of the Association, subject to the following provisions to the extent permitted or required by the Act:

(i) No audio or video recording of the meeting may be made, except by the Board or with the Board's prior express consent.

(ii) Members who are not directors may not participate in Board deliberations under any circumstances, and may not participate in Board discussions unless the Board expressly so authorizes at the meeting.

(iii) The Board may adjourn any meeting and reconvene in executive session to discuss and vote on personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar or sensitive nature. The nature of business to be considered in executive session will first be announced in open session.

(iv) The Board may prohibit attendance by non-Members, including representatives, proxies, agents, and attorneys of Members.

(v) The Board may prohibit attendance by any Member who disrupts meetings or interferes with the conduct of Board business.

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

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

2.6.9. Action without a Meeting. Any action required or permitted to be taken by the Board at a meeting may be taken without a meeting, if all directors individually or collectively consent in writing to such action. The written consent must be filed with the minutes of Board meetings. Action by written consent has the same force and effect as a unanimous vote. This Section does not apply to actions that require meetings under the Act.

2.7. Liabilities and Standard of Care. In performing their duties, the directors are required to exercise certain standards of care and are subject to certain liabilities, including but not limited to the following provisions of Applicable Law: Section 82.103(a) and (f) of the Act, and Sections 3.102, 3.105, 22.221, 22.223, 22.224, 22.225, 22.226, 22.227 and 22.230 of the Texas Business Organizations Code.

2.8. Powers and Duties. The Board has all the powers and duties necessary for the administration of the Association and for the operation and maintenance of the Property. The Board may do all acts and things except those which, by Applicable Law or the Documents, are reserved to the Members and may not be delegated to the Board. Without prejudice to the general and specific powers and duties set forth in Applicable Law or the Documents, or powers and duties as may hereafter be imposed on the Board by resolution of the Association, the powers and duties of the Board include, but are not limited to, the following:

2.8.1. Appointment of Committees. The Board, by resolution, may from time to time designate standing or ad hoc committees to advise or assist the Board with its responsibilities. The resolution may establish the purposes and powers of the committee created, provide for the appointment of a chair and committee Members, and may provide for reports, termination, and other administrative matters deemed appropriate by the Board. Members of committees will be appointed from among the Owners and Occupants.

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

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

### **ARTICLE 3** **OFFICERS**

3.1. **Designation.** The principal officers of the Association are the president, the secretary, and the treasurer. The Board may appoint one (1) or more vice-presidents and other officers and assistant officers as it deems necessary. The president and secretary must be directors. Other officers may, but need not, be Members or directors. Any two (2) offices may be held by the same person, except the offices of president and secretary. If an officer is absent or unable to act, the Board may appoint a director to perform the duties of that officer and to act in place of that officer, on an interim basis.

3.2. **Election of Officers.** The officers are elected no less than annually by the directors at the organizational meeting of the Board and hold office at the pleasure of the Board. Except for resignation or removal, officers hold office until their respective successors have been designated by the Board.

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

3.4. **Standard of Care.** In performing their duties, the officers are required to exercise the standards of care provided by Section 82.103(a) and (f) of the Act and by Section 3.105 of the Texas Business Organizations Code.

3.5. **Description of Principal Offices.**

3.5.1. **President.** As the chief executive officer of the Association, the president: (i) presides at all meetings of the Association and of the Board; (ii) has all the general powers and duties which are usually vested in the office of president of a corporation organized under Applicable Law; (iii) has general supervision, direction, and control of the business of the Association, subject to the control of the Board; and (iv) sees that all orders and resolutions of the Board are carried into effect.

3.5.2. **Secretary.** The secretary: (i) keeps the minutes of all meetings of the Board and of the Association; (ii) has charge of such books, papers, and records as the Board may direct; (iii) maintains a record of the names and addresses of the Members for the mailing of notices; and (iv) in general, performs all duties incident to the office of secretary.

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

3.6. **Authorized Agents.** Except when the Documents require execution of certain instruments by certain individuals, the Board may authorize any person to execute instruments on behalf of the Association. In the absence of Board designation, the president and the secretary are the only persons authorized to execute instruments on behalf of the Association within their respective scope of authority.

#### **ARTICLE 4**

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

4.1. **Annual Meeting.** An annual meeting of the Association will be held once during each twelve (12) month period on a date and at a time determined by the Board. At each annual meeting, the Members will elect directors in accordance with these Bylaws. The Members may also transact such other business of the Association as may properly come before them.

4.2. **Special Meetings.** It is the duty of the president to call a special meeting of the Association if directed to do so by written demand of Owners representing one hundred percent (100%) of the Units. The meeting must be held within thirty (30) days after receipt of the written demand. The notice of any special meeting must state the time, place, and purpose of the meeting. No business, except the purpose stated in the notice of the meeting, may be transacted at a special meeting.

4.3. **Place of Meetings.** Meetings of the Association may be held at the Property or at a suitable place convenient to the Members, as determined by the Board.

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

ATTACHMENT 1 – Page 7

DECLARATION OF CONDOMINIUM REGIME  
SALADO AIRPORT CONDOMINIUMS

state the particular purpose of a special meeting. Notices may also set forth any other items of information deemed appropriate by the Board.

4.5. **Voting Members List.** The Board will prepare and make available a list of the Association's voting Members in accordance with Section 22.158(b) of the Texas Business Organizations Code.

4.6. **Quorum.** At any meeting of the Association, the presence in person or by proxy of Members representing at least one hundred percent (100%) of the voting interests in the Association constitutes 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.

4.7. **Lack of Quorum.** If a quorum is not present at any meeting of the Association for which proper notice was given, Members representing at least a Majority of the votes present at the meeting, although not constituting a quorum, may vote to recess the meeting for not more than twenty-four (24) hours in order to attain a quorum, provided the place of the meeting remains as stated in the notice.

4.8. **Votes.** The vote of Members representing at least a Majority of the votes cast at any meeting at which a quorum is present binds all Members for all purposes, except when a higher percentage is required by these Bylaws, the Declaration, or by law. Cumulative voting is prohibited.

4.8.1. **Co-Owned Units.** If a Unit is owned by more than one Member, the vote appurtenant to that Unit is cast in accordance with Section 82.110(a) of Act, which is summarized as follows. If only one of the multiple Owners of a Unit is present at a meeting of the Association, that person may cast the vote allocated to that Unit. If more than one of the multiple Owners is present, the vote allocated to that Unit may be cast only in accordance with the multiple Owners' unanimous agreement. Multiple Owners are in unanimous agreement if one of the multiple Owners casts the vote allocated to a Unit and none of the other Owners makes prompt protest to the person presiding over the meeting.

4.8.2. **Entity-Owned Units.** If a Unit is owned by a corporation, the vote appurtenant to that Unit may be cast by any officer of the corporation in the absence of the corporation's written appointment of a specific person to exercise its vote. The vote of a partnership may be cast by any general partner in the absence of the partners' written appointment of a specific person. The person presiding over a meeting or vote may require reasonable evidence that a person voting on behalf of a corporation or partnership is qualified to vote.

4.9. **Proxies.** Votes may be cast in person or by written proxy at any meeting of the Association. To be valid, each proxy must: (i) be signed and dated by a Member or the Member's attorney-in-fact; (ii) identify the Unit to which the vote is appurtenant; (iii) name the person or title (such as "presiding officer") in favor of whom the proxy is granted, such person having agreed to exercise the proxy; (iv) identify the meeting for which the proxy is given; (v) not purport to be revocable without notice; and (vi) be delivered to the secretary, to the person presiding over the Association meeting for which the proxy is designated, or to a person or company designated by the Board. Unless the proxy specifies a shorter or longer time, it terminates eleven (11) months after the date of its execution. Perpetual or self-renewing proxies are permitted, provided they are revocable. To revoke a proxy, the granting Member must give actual notice of revocation to the person presiding over the Association meeting for which the proxy is designated. Unless revoked, any proxy designated for a meeting which is adjourned, recessed, or rescheduled is valid when the meeting reconvenes. A proxy may be delivered by fax. However, a proxy received by fax may not be counted to make or break a tie-vote unless: (a) the proxy has been acknowledged or sworn to by the Member before and certified by an officer authorized to take acknowledgments and oaths; or (b) the Association receives the original proxy within five (5) days after the vote.

4.10. **Conduct of Meetings.** The president, or any person designated by the Board, presides over meetings of the Association. The secretary keeps, or causes to be kept, the minutes of the meeting which should record all resolutions adopted and all transactions occurring at the meeting, as well as a record of any votes taken at the meeting. The person presiding over the meeting may appoint a parliamentarian. The then current edition of Robert's Rules of Order governs the conduct of meetings of the Association when not in conflict with the Documents. Votes should be tallied by Members appointed by the person presiding over the meeting.

4.11. **Order Of Business.** Unless the notice of meeting states otherwise, or the assembly adopts a different agenda at the meeting, the order of business at meetings of the Association is as follows:

- Determine votes present by roll call or check-in procedure
- Announcement of quorum
- Proof of notice of meeting
- Approval of minutes of preceding meeting
- Reports of Officers (if any)
- Unfinished or old business
- New business

4.12. **Adjournment of Meeting.** At any meeting of the Association, a Majority of the Members present at that meeting, either in person or by proxy, may adjourn the meeting to another time and place.

4.13. **Action without Meeting.** Subject to Board approval, any action which may be taken by a vote of the Members at a meeting of the Association may also be taken without a meeting by written consents. The Board may permit Members to vote by any method allowed by Section 22.160(b)(c) and (d) of the Texas Business Organizations Code, which may include hand delivery, mail, fax, email, or any combination of these. Written consents by Members representing at least [a Majority] of votes in the Association, or such other percentage as may be required by the Documents, constitutes approval by written consent. This Section may not be used to avoid the requirement of an annual meeting and does not apply to the election of directors.

4.14. **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 the meeting constitutes presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

**ARTICLE 5**  
**ASSOCIATION RECORDS**

5.1. **Records.** The Association will keep the records required by Section 82.114(a) of the Act.

5.2. **Inspection of Books and Records.** Books and records of the Association will be made available for inspection and copying pursuant to Section 82.114(b) of the Act and Sections 3.151, 3.153 and 22.351 of the Texas Business Organizations Code.

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

**ARTICLE 6**  
**NOTICES**

6.1. **Co-Owners.** If a Unit is owned by more than one person, notice to one co-Owner is deemed notice to all co-Owners.

6.2. **Delivery of Notices.** Any written notice required or permitted by these Bylaws may be given personally, by mail, by fax, or by any other method permitted by Applicable Law. If mailed, the notice is deemed delivered when deposited in the U.S. mail addressed to the



Member at the address shown on the Association’s records. If transmitted by fax, the notice is deemed delivered on successful transmission of the facsimile.

6.3. **Waiver of Notice.** Whenever a notice is required to be given to an Owner, Member, or director, a written waiver of the notice, signed by the person entitled to the notice, whether before or after the time stated in the notice, is equivalent to giving the notice. Attendance by a Member or director at any meeting of the Association or Board, respectively, constitutes a waiver of notice by the Member or director of the time, place, and purpose of the meeting. If all Members or directors are present at any meeting of the Association or Board, respectively, no notice is required and any business may be transacted at the meeting.

**ARTICLE 7**  
**AMENDMENTS TO BYLAWS**

7.1. **Authority.** These Bylaws may only be amended by the unanimous consent of the Board members.

7.2. **Proposals.** The Association will provide to each Owner a detailed description, if not exact wording, of any proposed amendment. The description will be included in the notice of any annual or special meeting of the Association if the proposed amendment is to be considered at the meeting.

7.3. **Effective.** To be effective, each amendment must be in writing, must recite the recording data for the Bylaws, and be Recorded.

**ARTICLE 8**  
**GENERAL PROVISIONS**

8.1. **Compensation.** A director, officer, Member, or Occupant may not receive any pecuniary profit from the operation of the Association, and no funds or assets of the Association may be paid as a salary or as compensation to, or be distributed to, or inure to the benefit of a director, officer, Member, or Occupant. Nevertheless,

(i) Reasonable compensation may be paid to a director, officer, Member, or Occupant for services rendered to the Association in other capacities.

(ii) A director, officer, Member, or Occupant may, from time to time, be reimbursed for his actual and reasonable expenses incurred on behalf of the Association in connection with the administration of the affairs of the Association, provided the expense has been approved by the Board.

(iii) The Board may budget and use Association funds to purchase awards, certificates, a celebratory meal, or other customary tokens or demonstrations of appreciation for volunteer activities.

(iv) This provision does not apply to distributions to Owners permitted or required by the Declaration or the Act.

8.2. **Conflicting Provisions.** If any provision of these Bylaws conflicts with any provision of Applicable Law, the conflicting Bylaws provision is null and void, but all other provisions of these Bylaws remain in full force and effect. In the case of any conflict between the Certificate of Formation of the Association and these Bylaws, the Certificate of Formation controls. In the case of any conflict between the Declaration and these Bylaws, the Declaration controls.

8.3. **Severability.** Whenever possible, each provision of these Bylaws will be interpreted in a manner as to be effective and valid. Invalidation of any provision of these Bylaws, by judgment or court order, does not affect any other provision which remains in full force and effect.

8.4. **Construction.** The effect of a general statement is not limited by the enumerations of specific matters similar to the general. The captions of articles and sections are inserted only for convenience and may not be construed as defining or modifying the text to which they refer. The singular is construed to include the plural, when applicable, and the use of masculine or neuter pronouns includes the feminine.

8.5. **Fiscal Year.** The fiscal year of the Association will be set by resolution of the Board, and is subject to change from time to time as the Board determines. In the absence of a resolution by the Board, the fiscal year is the calendar year.

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

8.7. **Indemnification.** To the fullest extent permitted by Applicable Law, the Association will indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that such person is or was a director, officer, committee member, employee, servant, or agent of the Association against expenses (including attorney's fees, judgments, fines, and amounts paid in settlement) actually and reasonably incurred by such person in connection with such action, suit or proceeding if it is found and determined by the Board or a court that such person:(i) acted in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Association; or (ii) with respect to any criminal action or proceeding, had no reasonable

cause to believe such conduct was unlawful. The termination of any action, suit, or proceeding by settlement, or upon a plea of *nolo contendere* or its equivalent, will not of itself create a presumption that the person did not act in good faith or in a manner reasonably believed to be in, or not opposed to, the best interests of the Association, or, with respect to any criminal action or proceeding, had reasonable cause to believe that such conduct was unlawful.

8.8. **Preparer.** These Bylaws were prepared in by Robert D. Burton, Esq., Winstead PC, 401 Congress Ave., Suite 2100, Austin, Texas 78701.

**ATTACHMENT 2**

**[CONDOMINIUM PLAT AND PLANS]**

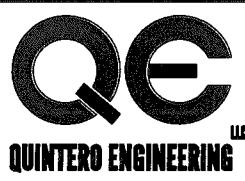
The plat and plans, attached hereto as Attachment 2 contains the information required by the Texas Uniform Condominium Act.

Printed Name: Bradley Sargent  
RPLS or License No. 5827

***SEE FOLLOWING PAGE FOR ORIGINAL CERTIFICATION***

ATTACHMENT 2

DECLARATION OF CONDOMINIUM REGIME  
SALADO AIRPORT CONDOMINIUMS



# QUINTERO ENGINEERING, LLC

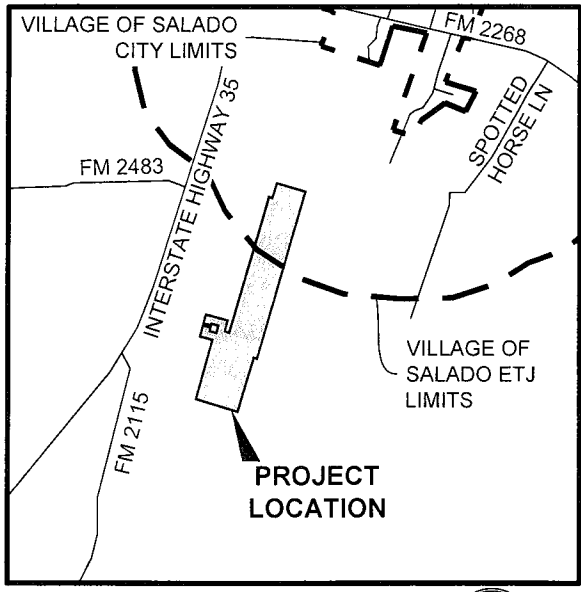
CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT  
415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962  
T.B.P.E. FIRM REGISTRATION NO. 14709  
T.B.P.L.S. REGISTRATION NO. 10194110

## SALADO AIRPORT CONDOMINIUMS ETJ OF THE VILLAGE OF SALADO, BELL COUNTY, TEXAS

A TRACT OF LAND SITUATED IN THE WILLIAM ROBERTS SURVEY, ABSTRACT NO. 708, THE V.R. PALMER SURVEY, ABSTRACT NO. 662 AND THE JAMES P. WALLACE SURVEY, ABSTRACT NO. 902. BELL COUNTY, TEXAS AND BEING A PORTION OF TRACT ONE DESCRIBED IN A DEED TO SALADO AIRPORT, LLC, RECORDED IN INSTRUMENT NO. 2017-00021620, DEED RECORDS OF BELL COUNTY, TEXAS, AND BEING ALL OF TRACT TWO, TRACT THREE, TRACT FOUR AND TRACT FIVE DESCRIBED IN A DEED TO SALADO AIRPORT, LLC, RECORDED IN INSTRUMENT NO. 2017-00021619, DEED RECORDS OF BELL COUNTY, TEXAS.

SHEET INDEX :

1	COVER SHEET
2	PAGE LAYOUT
3	LEGEND AND LINE TABLE DATA
4-21	PLAN VIEWS



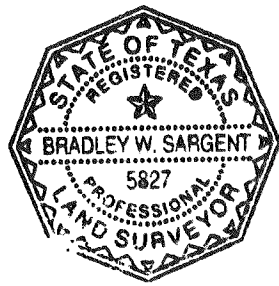
**LOCATION MAP**  
SCALE: NTS



GENERAL NOTES :

- 1) THE BEARINGS AND DISTANCES SHOWN HERON ARE BASED ON THE TEXAS STATE PANE COORDINATE SYSTEM, CENTRAL ZONE, NAD 83, PER LEICA SMART NET GPS OBSERVATION.
- 2) A PORTION OF THIS PROPERTY LIES WITHIN THE FEMA 100 YEAR FLOODPLAIN (ZONE A - NO BASE FLOOD ELEVATIONS DETERMINED) AS SHOWN ON THE FLOOD INSURANCE RATE MAP, FEMA MAP 48027C0525E WHICH BEARS AN EFFECTIVE DATE OF SEPTEMBER 26, 2008.
- 3) ALL IMPROVEMENTS AND LAND REFLECTED ON THE PLAT ARE DESIGNATED AS GENERAL COMMON ELEMENTS, SAVE AND EXCEPT PORTIONS OF THE REGIME DESIGNATED AS LIMITED COMMON ELEMENTS OR UNITS: (I) IN THE DECLARATION OF CONDOMINIUM REGIME FOR SALADO AIRPORT CONDOMINIUMS (THE "DECLARATION") OR (II) ON THE PLAT AND PLANS OF THE REGIME.
- 4) OWNERSHIP AND USE OF CONDOMINIUM UNITS IS SUBJECT TO THE RIGHTS AND RESTRICTIONS CONTAINED IN THE DECLARATION.
- 5) THE UNITS, LIMITED COMMON ELEMENTS AND GENERAL COMMON ELEMENTS ARE SUBJECT TO ALL SPECIAL DECLARANT RIGHTS AS SET FORTH IN SECTION 82.003(A)(22) OF THE TEXAS PROPERTY CODE AND CERTAIN ADDITIONAL RIGHTS AND RESERVATIONS IN FAVOR OF THE DECLARANT AS SET FORTH IN DECLARATION.
- 6) VERTICAL BOUNDARIES ARE DEFINED IN THE DECLARATION.

THE ATTACHED PLATS AND PLANS, ATTACHED HERETO CONTAIN THE INFORMATION REQUIRED BY SECTION 82.059 OF TEXAS UNIFORM CONDOMINIUM ACT, AS APPLICABLE.



*Bradley W. Sargent* 3/20/19

BRADLEY W. SARGENT  
R. P. L. S. NO. 5827  
415 E. AVENUE D  
KILLEEN, TX 76541

REVISED



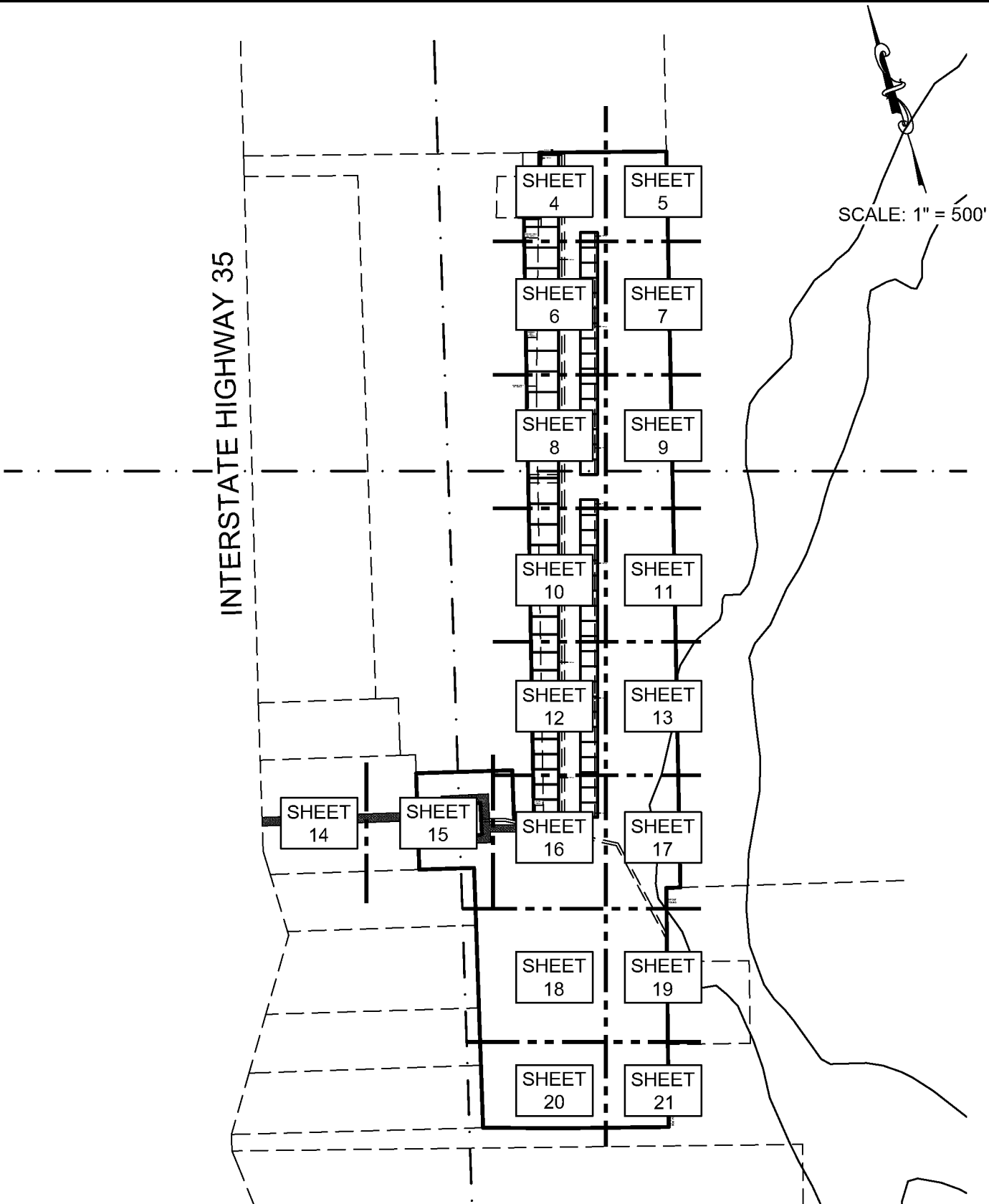
# QUINTERO ENGINEERING, LLC

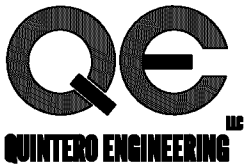
CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT

415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962

T.B.P.E. FIRM REGISTRATION NO. 14709

T.B.P.L.S. REGISTRATION NO. 10194110





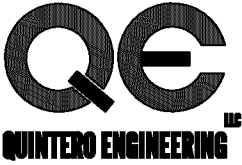
**QUINTERO ENGINEERING, LLC**  
 CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT  
 415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962  
 T.B.P.E. FIRM REGISTRATION NO. 14709  
 T.B.P.L.S. REGISTRATION NO. 10194110

### LEGEND

- PROPERTY BOUNDARY
  - EASEMENT LINES
  - ORIGINAL ABSTRACT SURVEY LINE
  - ADJOINING TRACT PROPERTY LINES
  - 100-YEAR FLOODPLAIN
  - GENERAL COMMON ELEMENT SUBJECT TO DEVELOPMENT RIGHTS
  - UNIT
  - GENERAL COMMON ELEMENT
  - NOT PART OF THIS DEVELOPMENT
  - 1/2" IRON ROD FOUND
  - 1/2" IRON ROD SET W/ CAP STAMPED "QUINTERO 10194110"
- \*\*UNLESS OTHERWISE NOTED\*\*

**BOUNDARY LINE TABLE**

LINE #	BEARING	LENGTH	RECORD BEARING	RECORD DISTANCE
L1	S74°38'44"E	120.33'	S 72° 31' 17" E	120.35'
L2	S14°33'14"W	61.22'	S 16° 40' 41" W	61.23'
L3	S75°26'46"E	77.57'	S 73° 19' 19" E	77.58'
L4	S75°26'46"E	32.63'	S 73° 19' 19" E	32.63'
L5	N14°30'21"E	57.29'	N 16° 40' 36" E	57.33'
L6	N14°44'20"E	58.95'	N 16° 40' 36" E	58.87'
L7	N75°26'49"W	110.19'	N 73° 19' 19" W	110.20'
L8	S14°46'21"W	24.78'	S 16° 40' 41" W	24.97'
L9	N74°33'57"W	120.03'	N 72° 31' 17" W	119.93'
L10	S74°26'33"E	349.77'	S 72° 21' 30" E	349.95'
L11	S74°18'12"E	72.26'	S 72° 13' 19" W	-
L12	N74°28'38"W	51.61'	N 72° 14' 10" W	52.55'
L13	S16°03'45"W	31.05'	S 17° 37' 11" W	31.22'



# QUINTERO ENGINEERING, LLC

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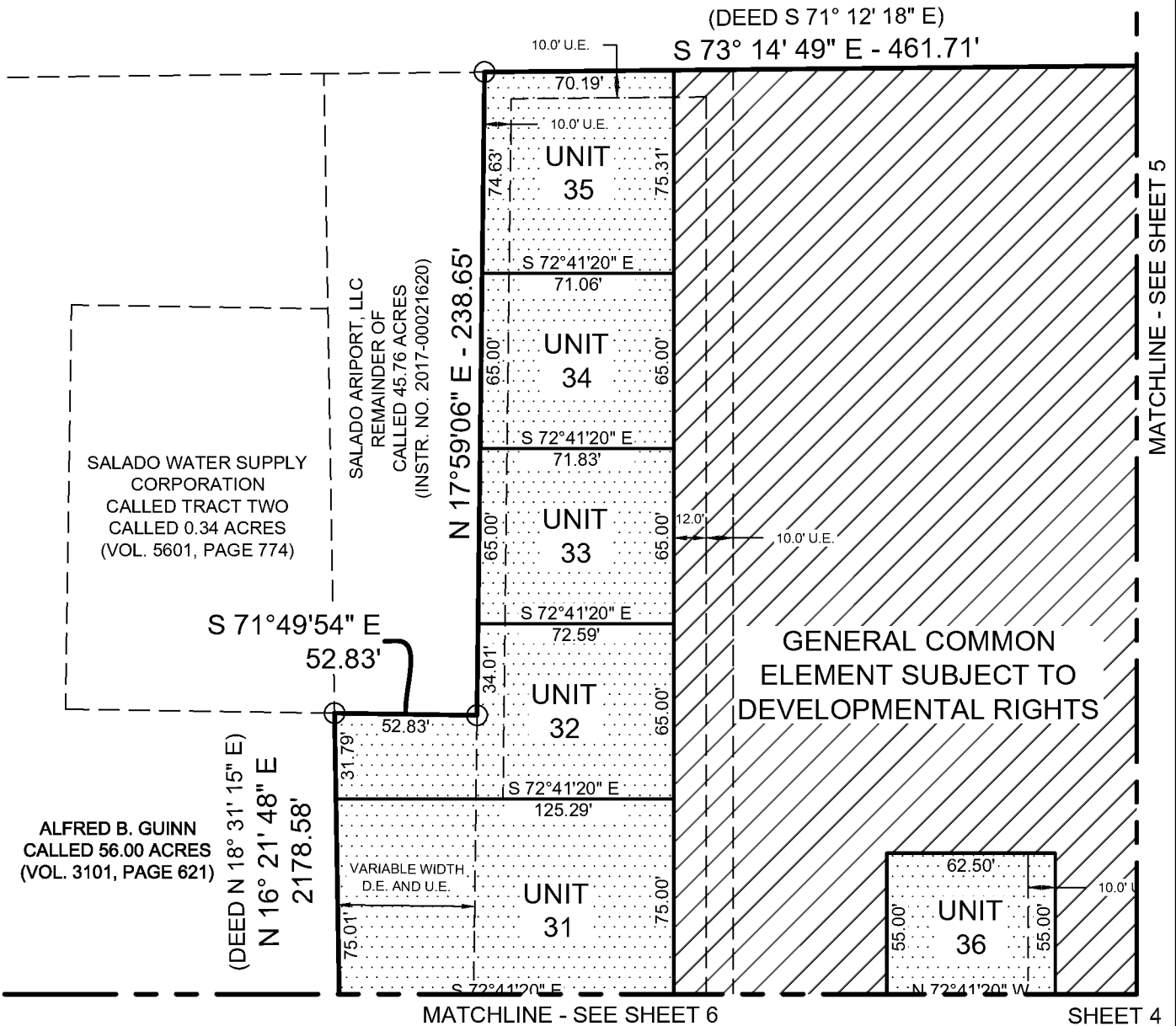
T.B.P.E. FIRM REGISTRATION NO. 14709

T.B.P.L.S. REGISTRATION NO. 10194110



SCALE: 1" = 60'

WCE PROPERTIES, LLC  
CALLED 30.00 ACRES  
(VOL. 5262, PAGE 151)



MATCHLINE - SEE SHEET 5

MATCHLINE - SEE SHEET 6

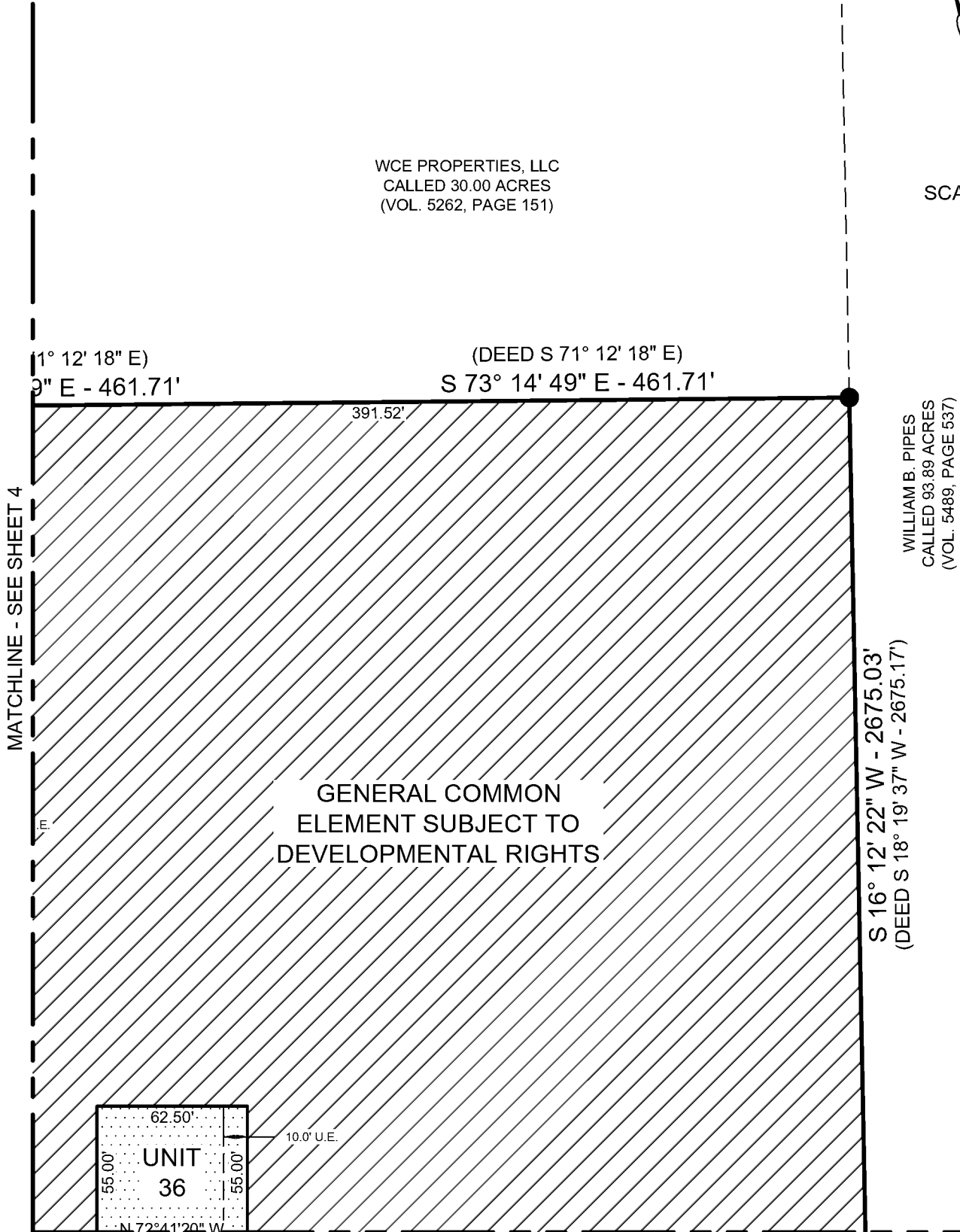
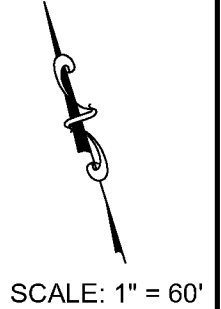
SHEET 4





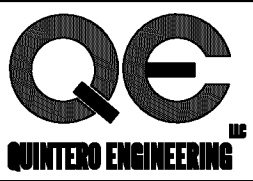
**QUINTERO ENGINEERING, LLC**  
 CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT  
 415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962  
 T.B.P.E. FIRM REGISTRATION NO. 14709  
 T.B.P.L.S. REGISTRATION NO. 10194110

WCE PROPERTIES, LLC  
 CALLED 30.00 ACRES  
 (VOL. 5262, PAGE 151)



MATCHLINE - SEE SHEET 7

SHEET 5



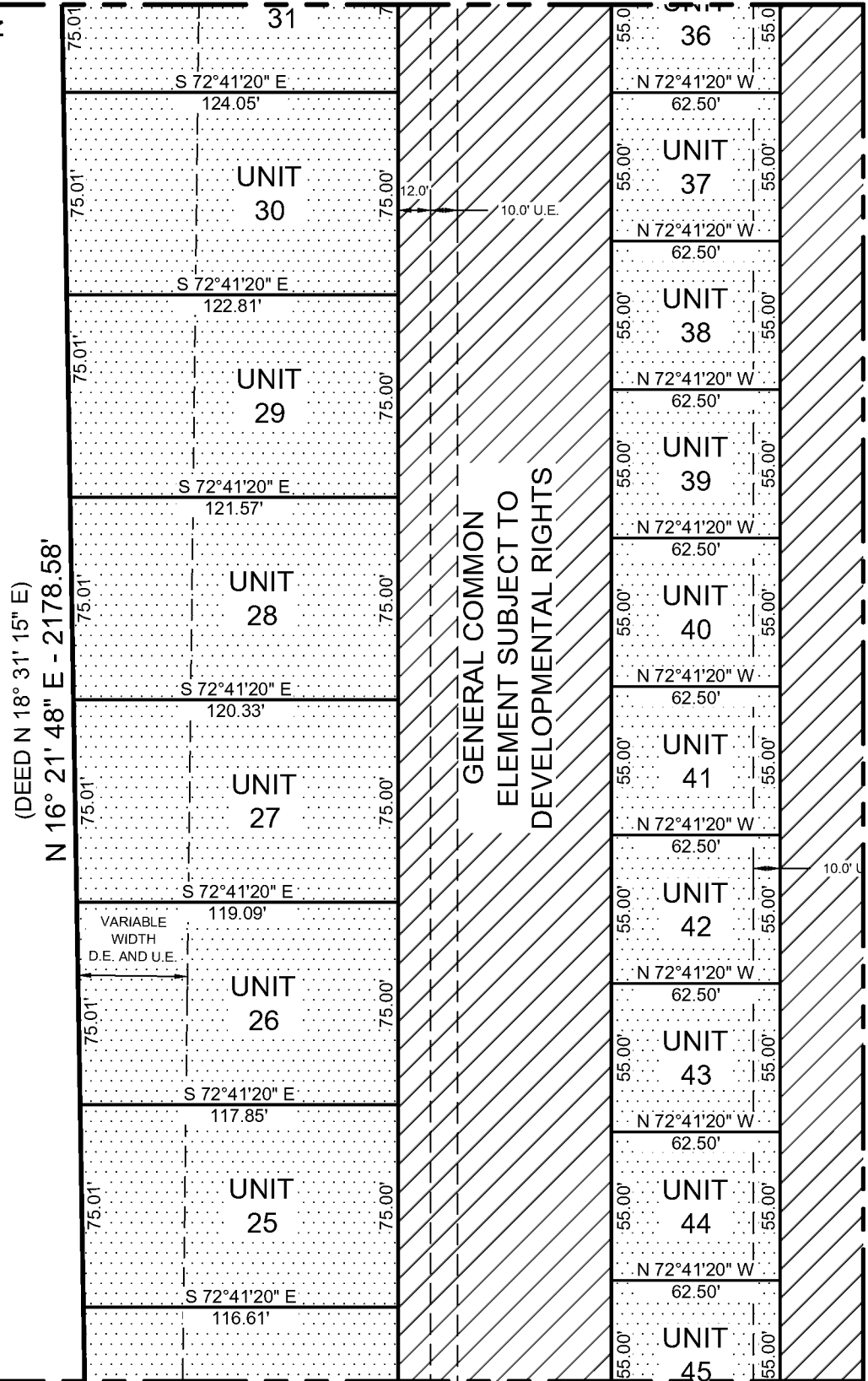
**QUINTERO ENGINEERING, LLC**  
 CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT  
 415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962  
 T.B.P.E. FIRM REGISTRATION NO. 14709  
 T.B.P.L.S. REGISTRATION NO. 10194110



SCALE: 1" = 60'

(DEE N

MATCHLINE - SEE SHEET 4



ALFRED B. GUINN  
CALLED 56.00 ACRES  
(VOL. 3101, PAGE 621)

(DEED N 18° 31' 15" E)  
N 16° 21' 48" E - 2178.58'

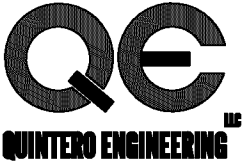
VARIABLE  
WIDTH  
D.E. AND U.E.

GENERAL COMMON  
ELEMENT SUBJECT TO  
DEVELOPMENTAL RIGHTS

MATCHLINE - SEE SHEET 7

MATCHLINE - SEE SHEET 8

SHEET 6



# QUINTERO ENGINEERING, LLC

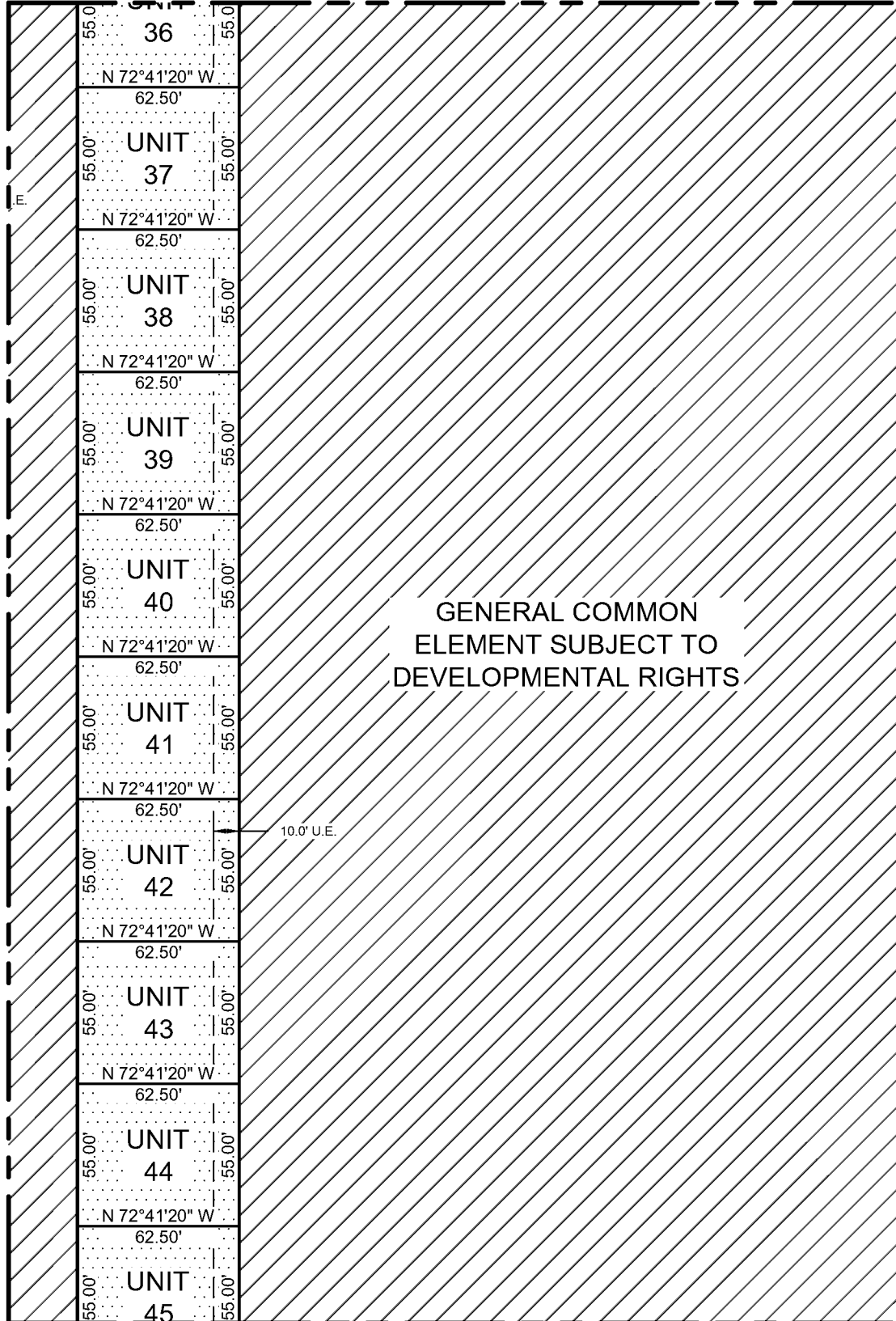
CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT

415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962

T.B.P.E. FIRM REGISTRATION NO. 14709

T.B.P.L.S. REGISTRATION NO. 10194110

MATCHLINE - SEE SHEET 5



MATCHLINE - SEE SHEET 6



SCALE: 1" = 60'

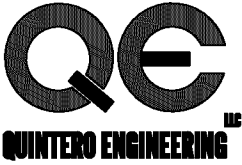
GENERAL COMMON  
ELEMENT SUBJECT TO  
DEVELOPMENTAL RIGHTS

S 16° 12' 22" W - 2675.03'  
(DEED S 18° 19' 37" W - 2675.17')

WILLIAM B. PIPES  
CALLED 93.89 ACRES  
(VOL. 5489, PAGE 537)

MATCHLINE - SEE SHEET 9

SHEET 7



# QUINTERO ENGINEERING, LLC

CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT

415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962

T.B.P.E. FIRM REGISTRATION NO. 14709

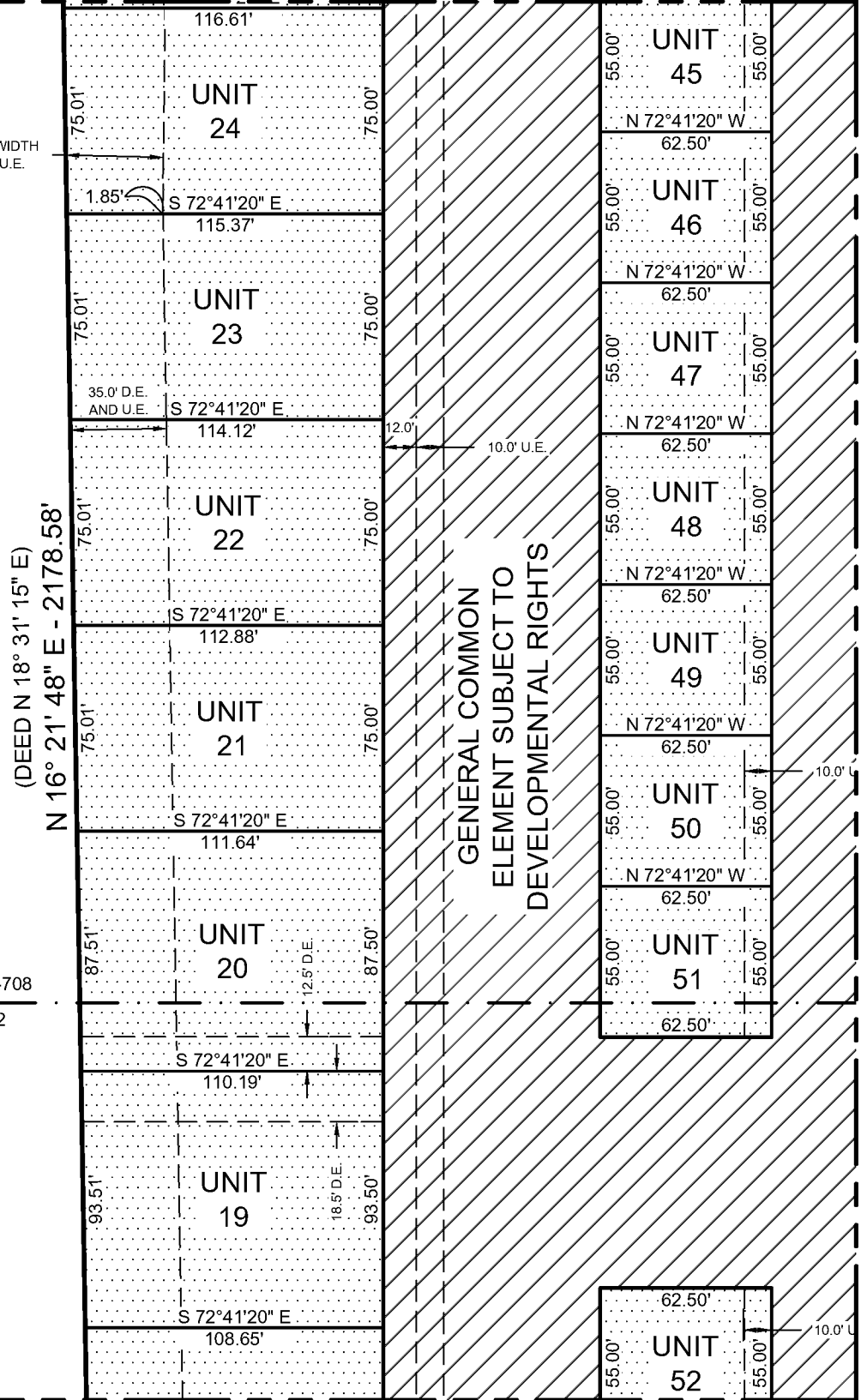
T.B.P.L.S. REGISTRATION NO. 10194110

MATCHLINE - SEE SHEET 6



SCALE: 1" = 60'

VARIABLE WIDTH  
D.E. AND U.E.



ALFRED B. GUINN  
CALLED 56.00 ACRES  
(VOL. 3101, PAGE 621)

WILLIAM ROBERTS SURVEY, A-708  
V.R. PALMER SURVEY, A-662

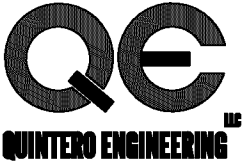
(DEED N 18° 31' 15" E)  
N 16° 21' 48" E - 2178.58'

GENERAL COMMON  
ELEMENT SUBJECT TO  
DEVELOPMENTAL RIGHTS

MATCHLINE - SEE SHEET 9

MATCHLINE - SEE SHEET 10

SHEET 8



# QUINTERO ENGINEERING, LLC

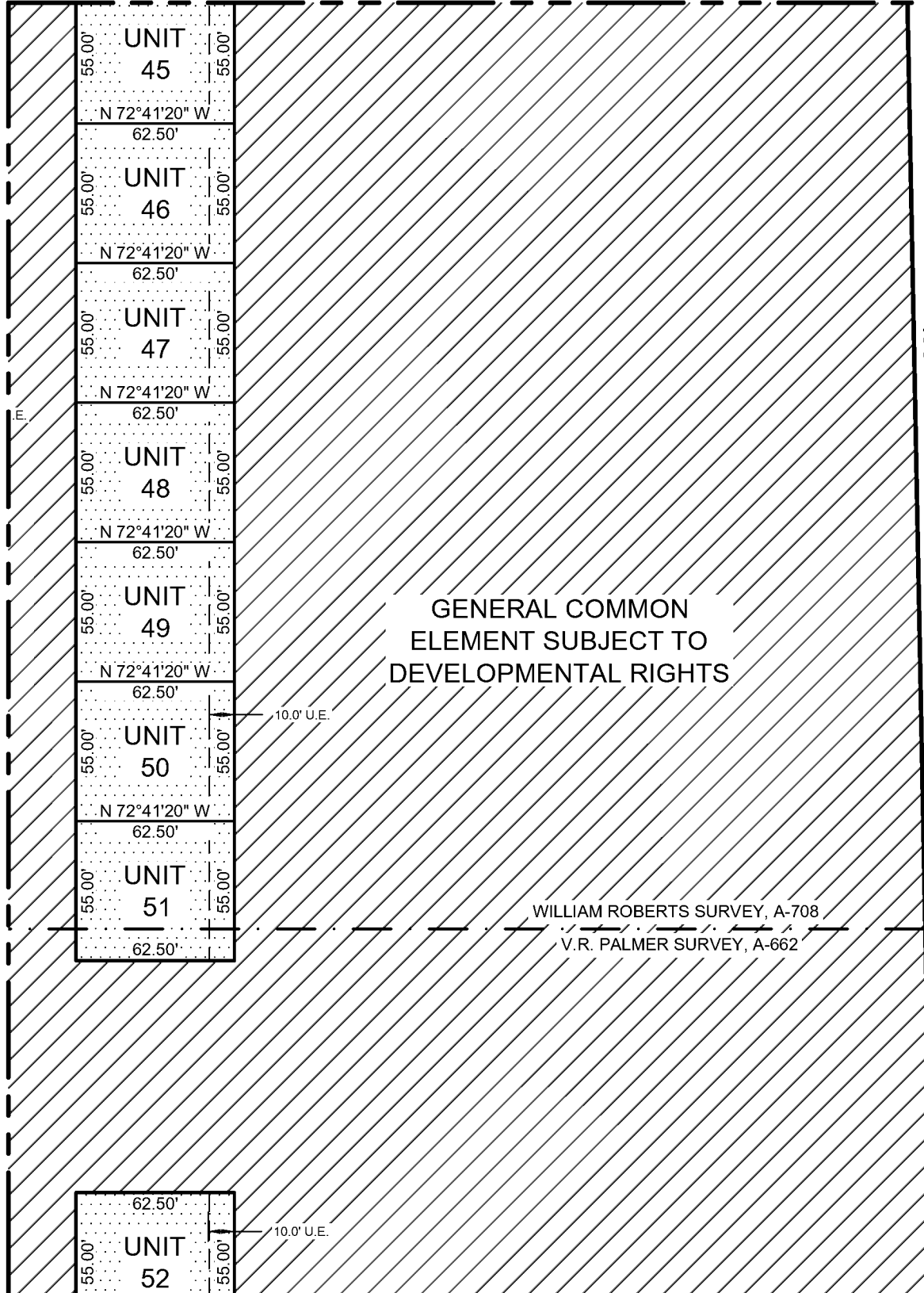
CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT

415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962

T.B.P.E. FIRM REGISTRATION NO. 14709

T.B.P.L.S. REGISTRATION NO. 10194110

MATCHLINE - SEE SHEET 7



SCALE: 1" = 60'

WILLIAM B. PIPES  
CALLED 93.89 ACRES  
(VOL. 5489, PAGE 537)

S 16° 12' 22" W - 2675.03'  
(DEED S 18° 19' 37" W - 2675.17')

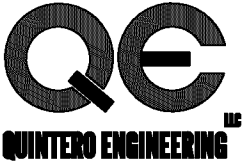
WILLIAM ROBERTS SURVEY, A-708

V.R. PALMER SURVEY, A-662

MATCHLINE - SEE SHEET 8

MATCHLINE - SEE SHEET 11

SHEET 9



# QUINTERO ENGINEERING, LLC

CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT

415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962

T.B.P.E. FIRM REGISTRATION NO. 14709

T.B.P.L.S. REGISTRATION NO. 10194110

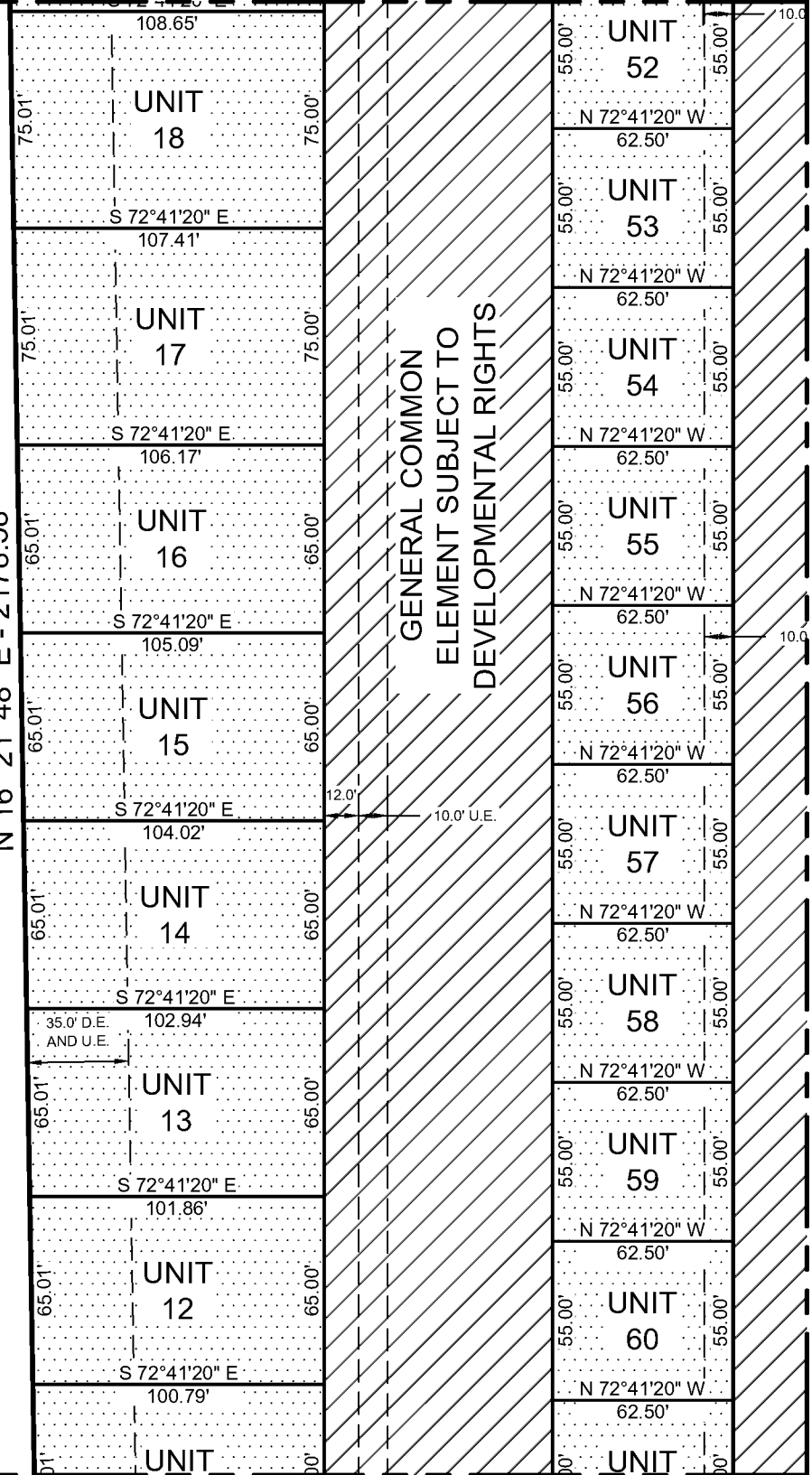
MATCHLINE - SEE SHEET 7



SCALE: 1" = 60'

ALFRED B. GUINN  
CALLED 56.00 ACRES  
(VOL. 3101, PAGE 621)

(DEED N 18° 31' 15" E)  
N 16° 21' 48" E - 2178.58'

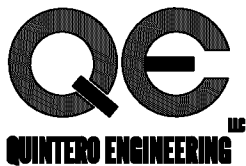


GENERAL COMMON  
ELEMENT SUBJECT TO  
DEVELOPMENTAL RIGHTS

MATCHLINE - SEE SHEET 11

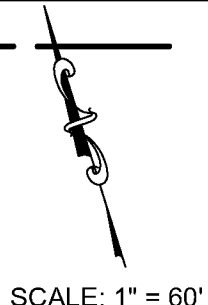
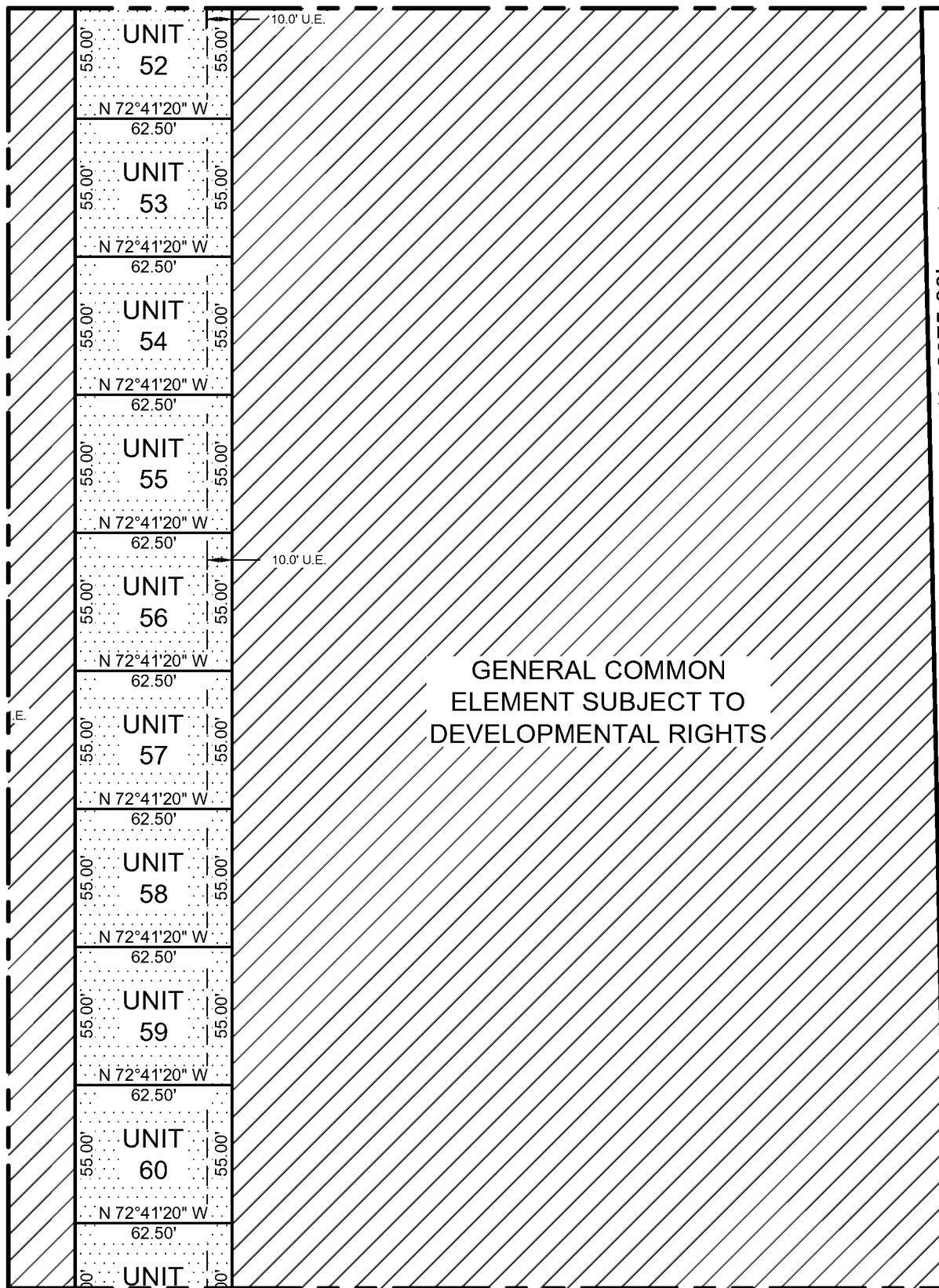
MATCHLINE - SEE SHEET 12

SHEET 10



**QUINTERO ENGINEERING, LLC**  
 CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT  
 415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962  
 T.B.P.E. FIRM REGISTRATION NO. 14709  
 T.B.P.L.S. REGISTRATION NO. 10194110

MATCHLINE - SEE SHEET 9



SCALE: 1" = 60'

S 16° 12' 22" W - 2675.03'  
 (DEED S 18° 19' 37" W - 2675.17')

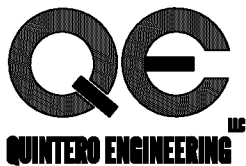
GENERAL COMMON  
 ELEMENT SUBJECT TO  
 DEVELOPMENTAL RIGHTS

WILLIAM B. PIPES  
 CALLED 93.89 ACRES  
 (VOL. 5489, PAGE 537)

MATCHLINE - SEE SHEET 10

MATCHLINE - SEE SHEET 13

SHEET 11



# QUINTERO ENGINEERING, LLC

CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT  
415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962  
T.B.P.E. FIRM REGISTRATION NO. 14709  
T.B.P.L.S. REGISTRATION NO. 10194110

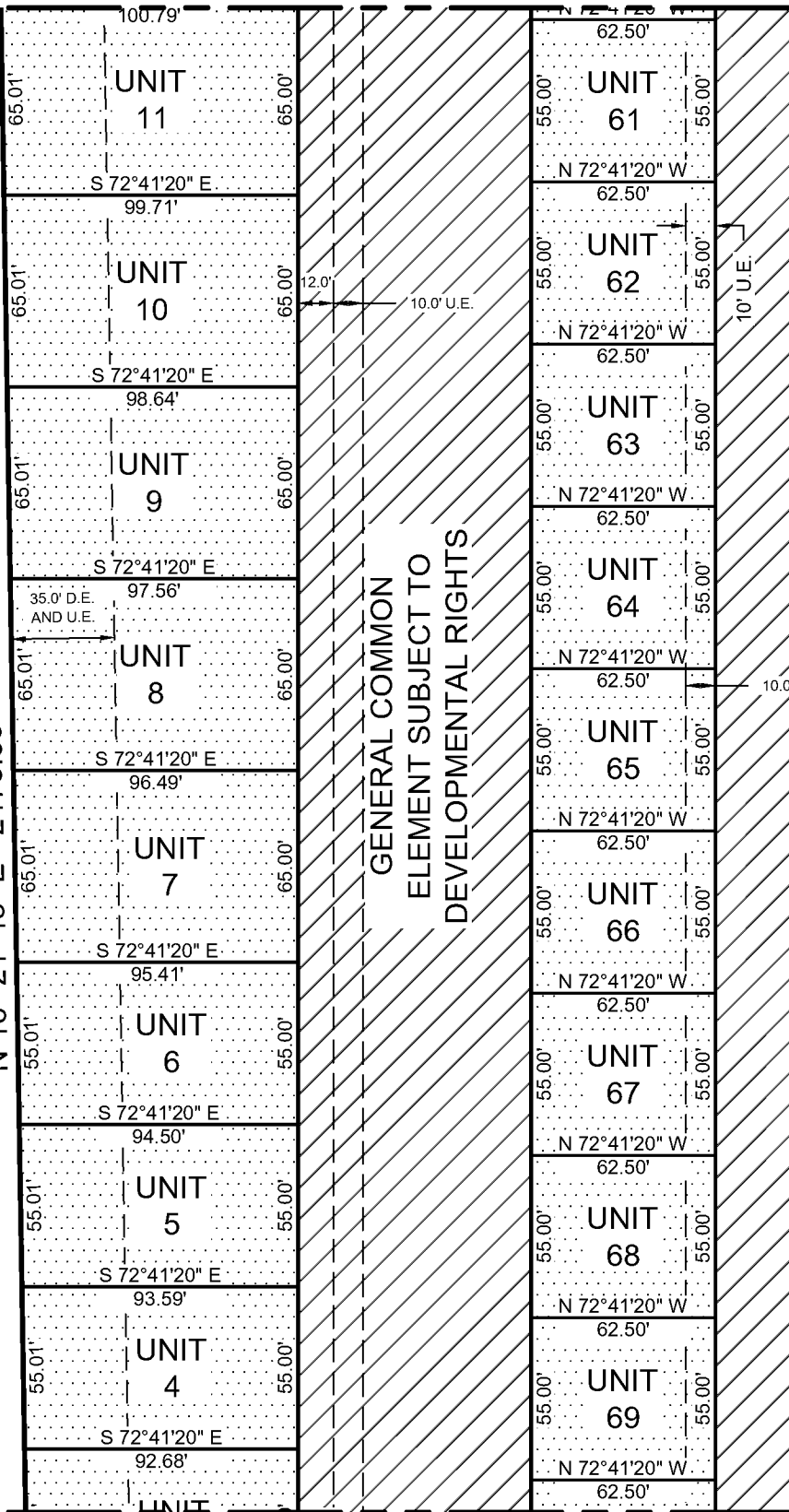


SCALE: 1" = 60'

MATCHLINE - SEE SHEET 10

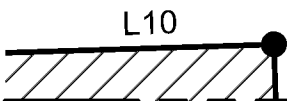
(DEED N 18° 31' 15" E)  
N 16° 21' 48" E - 2178.58'

ALFRED B. GUINN  
CALLED 56.00 ACRES  
(VOL. 3101, PAGE 621)



GENERAL COMMON  
ELEMENT SUBJECT TO  
DEVELOPMENTAL RIGHTS

MATCHLINE - SEE SHEET 13



MATCHLINE - SEE SHEET 16

SHEET 12





# QUINTERO ENGINEERING, LLC

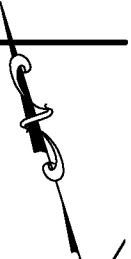
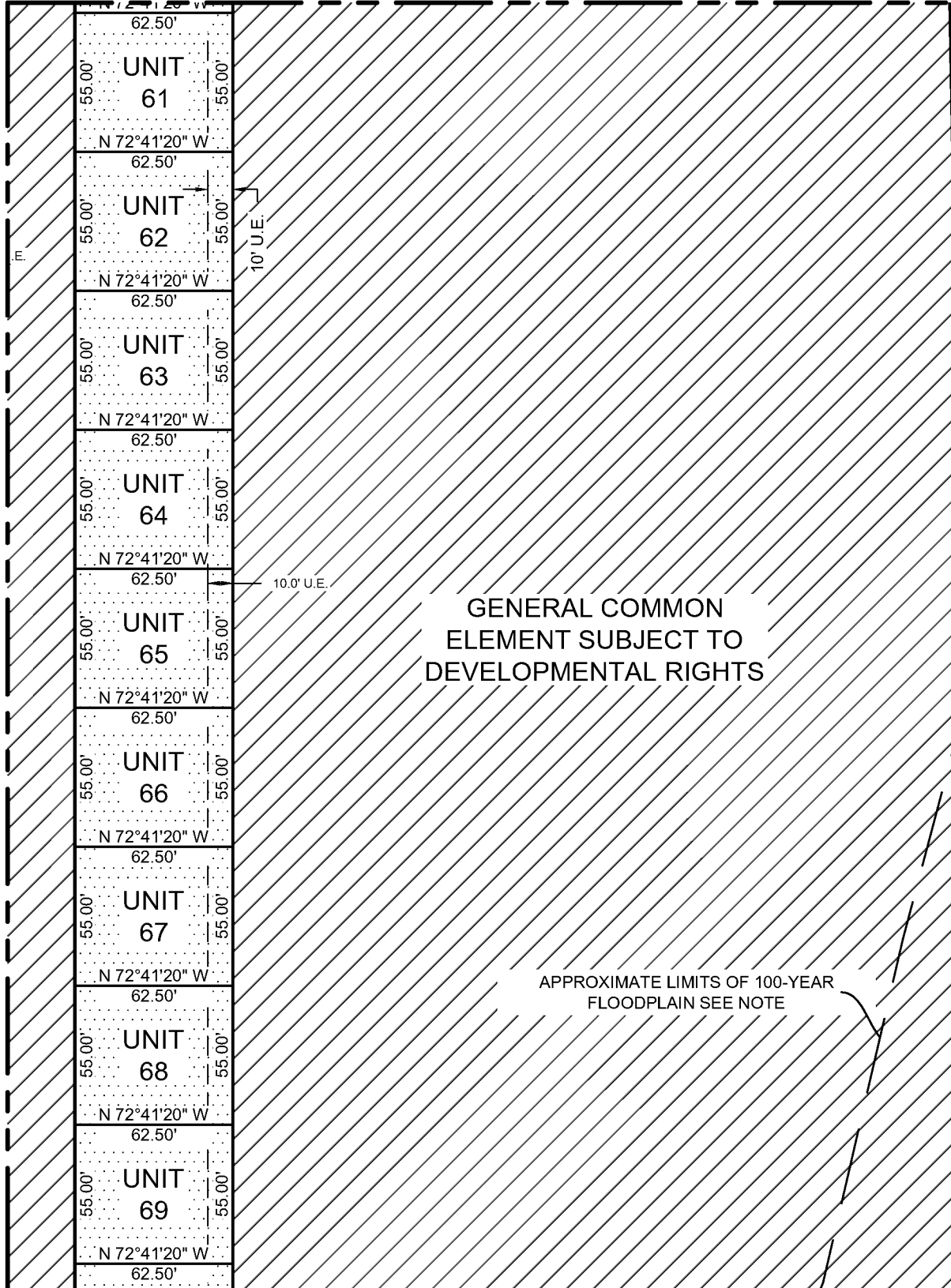
CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT

415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962

T.B.P.E. FIRM REGISTRATION NO. 14709

T.B.P.L.S. REGISTRATION NO. 10194110

MATCHLINE - SEE SHEET 11



SCALE:  
1" = 60'

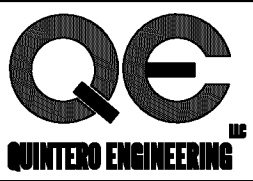
WILLIAM B. PIPES  
CALLED 93.89 ACRES  
(VOL. 5489, PAGE 537)

S 16° 12' 22" W - 2675.03'  
(DEED S 18° 19' 37" W - 2675.17')

MATCHLINE - SEE SHEET 12

MATCHLINE - SEE SHEET 17

SHEET 13



# QUINTERO ENGINEERING, LLC

CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT  
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T.B.P.E. FIRM REGISTRATION NO. 14709  
T.B.P.L.S. REGISTRATION NO. 10194110



SCALE: 1" = 60'

INTERSTATE HIGHWAY 35

PAUL THOMAS STANFORD TRUST  
CALLED 2.703 ACRES  
(INSTR. NO. 2012-00031902)

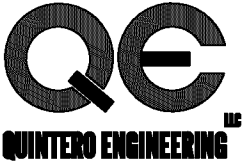
30' ACCESS EASEMENT  
TRACT SIX  
(INSTR. NO. 2016-00021620)



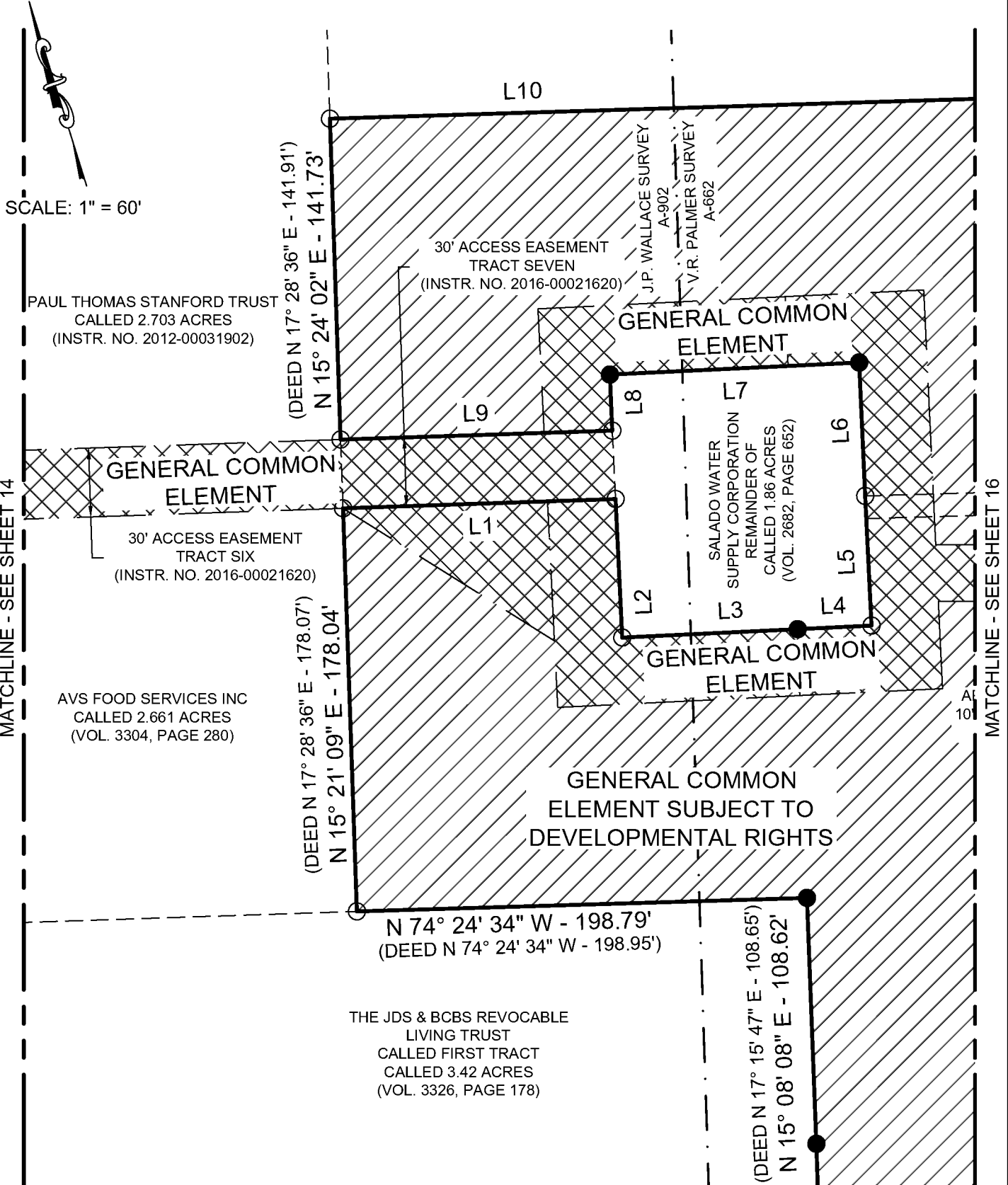
GENERAL COMMON  
ELEMENT

AVS FOOD SERVICES INC  
CALLED 2.661 ACRES  
(VOL. 3304, PAGE 280)

MATCHLINE - SEE SHEET 15



**QUINTERO ENGINEERING, LLC**  
 CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT  
 415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962  
 T.B.P.E. FIRM REGISTRATION NO. 14709  
 T.B.P.L.S. REGISTRATION NO. 10194110



SCALE: 1" = 60'

PAUL THOMAS STANFORD TRUST  
CALLED 2.703 ACRES  
(INSTR. NO. 2012-00031902)

GENERAL COMMON  
ELEMENT

30' ACCESS EASEMENT  
TRACT SIX  
(INSTR. NO. 2016-00021620)

AVS FOOD SERVICES INC  
CALLED 2.661 ACRES  
(VOL. 3304, PAGE 280)

(DEED N 17° 28' 36" E - 141.91')  
N 15° 24' 02" E - 141.73'

(DEED N 17° 28' 36" E - 178.07')  
N 15° 21' 09" E - 178.04'

N 74° 24' 34" W - 198.79'  
(DEED N 74° 24' 34" W - 198.95')

THE JDS & BCBS REVOCABLE  
LIVING TRUST  
CALLED FIRST TRACT  
CALLED 3.42 ACRES  
(VOL. 3326, PAGE 178)

(DEED N 17° 15' 47" E - 108.65')  
N 15° 08' 08" E - 108.62'

GENERAL COMMON  
ELEMENT

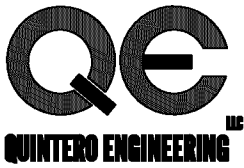
SALADO WATER  
SUPPLY CORPORATION  
REMAINDER OF  
REMAINDER OF  
CALLED 1.86 ACRES  
(VOL. 2682, PAGE 652)

GENERAL COMMON  
ELEMENT

GENERAL COMMON  
ELEMENT SUBJECT TO  
DEVELOPMENTAL RIGHTS

MATCHLINE - SEE SHEET 14

MATCHLINE - SEE SHEET 16



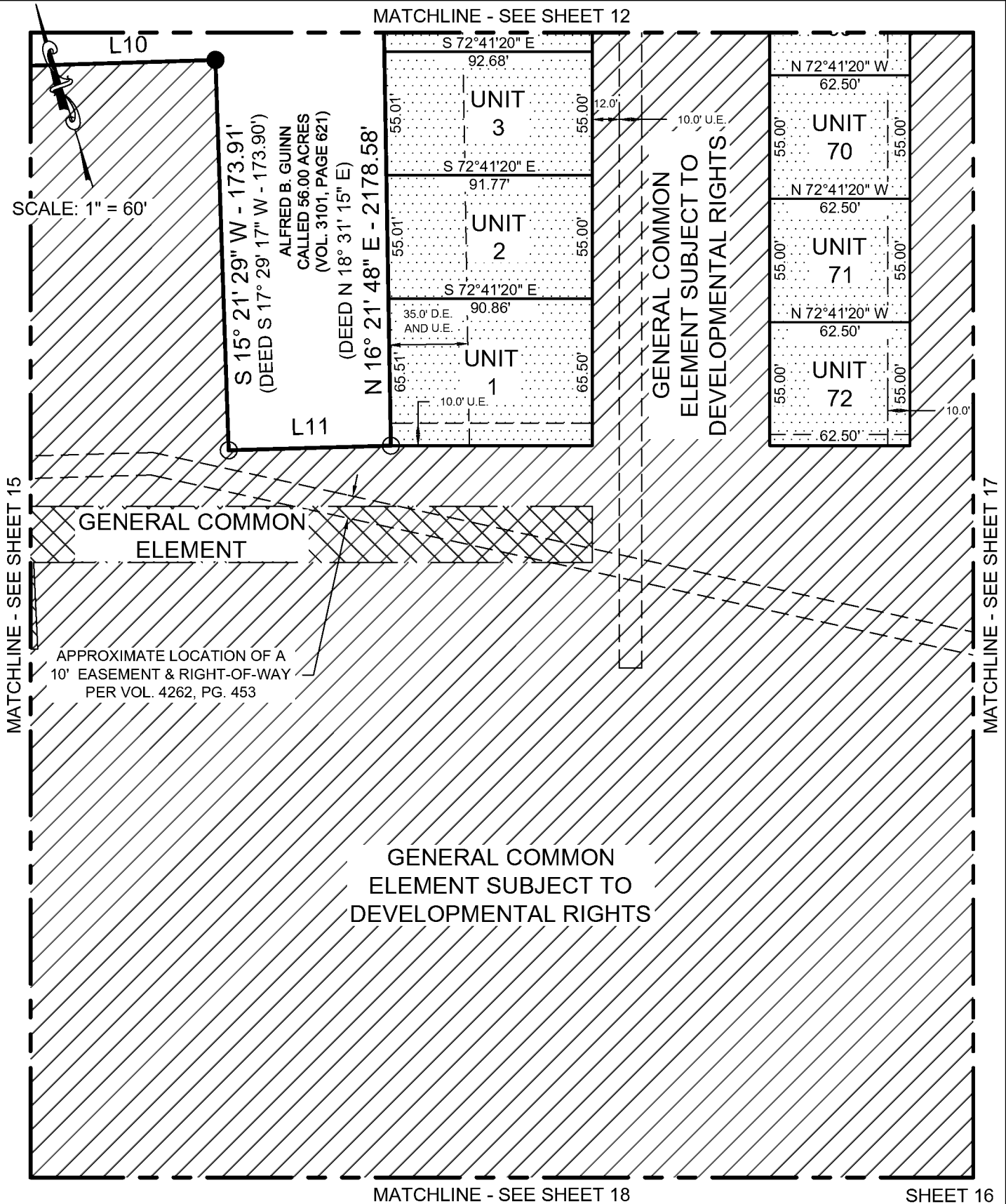
# QUINTERO ENGINEERING, LLC

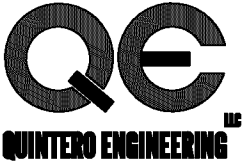
CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT

415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962

T.B.P.E. FIRM REGISTRATION NO. 14709

T.B.P.L.S. REGISTRATION NO. 10194110





# QUINTERO ENGINEERING, LLC

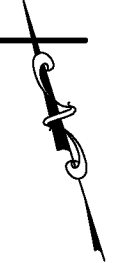
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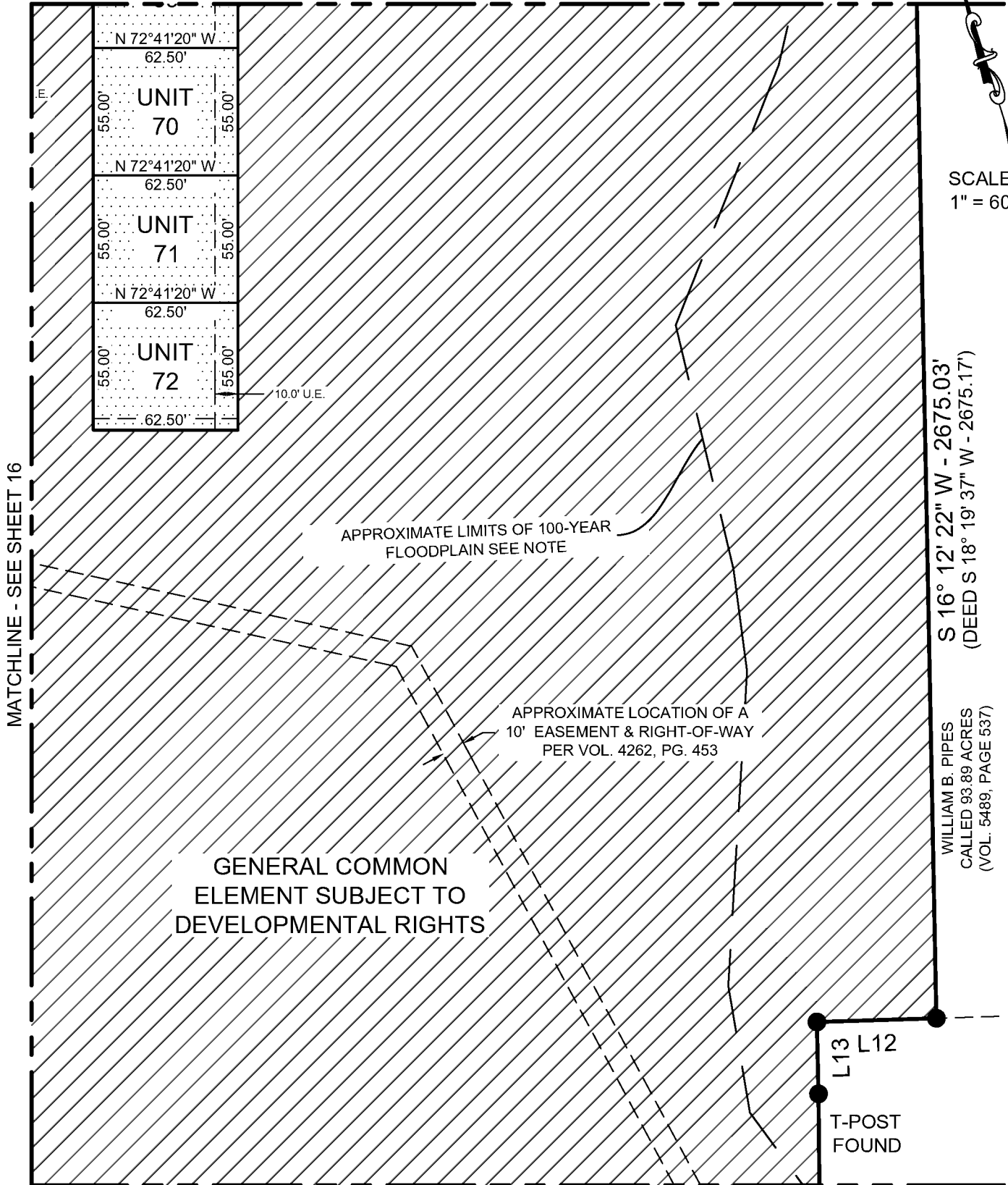
T.B.P.E. FIRM REGISTRATION NO. 14709

T.B.P.L.S. REGISTRATION NO. 10194110

MATCHLINE - SEE SHEET 13



SCALE:  
1" = 60'



MATCHLINE - SEE SHEET 16

APPROXIMATE LIMITS OF 100-YEAR FLOODPLAIN SEE NOTE

APPROXIMATE LOCATION OF A 10' EASEMENT & RIGHT-OF-WAY PER VOL. 4262, PG. 453

GENERAL COMMON ELEMENT SUBJECT TO DEVELOPMENTAL RIGHTS

S 16° 12' 22" W - 2675.03'  
(DEED S 18° 19' 37" W - 2675.17')

WILLIAM B. PIPES  
CALLED 93.89 ACRES  
(VOL. 5489, PAGE 537)

L13 L12

T-POST FOUND

MATCHLINE - SEE SHEET 19

SHEET 17



# QUINTERO ENGINEERING, LLC

CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT

415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962

T.B.P.E. FIRM REGISTRATION NO. 14709

T.B.P.L.S. REGISTRATION NO. 10194110

MATCHLINE - SEE SHEET 16

(DE) N

SCALE: 1" = 60'

THE JDS & BCBS REVOCABLE LIVING TRUST  
CALLED THIRD TRACT  
CALLED 5.00 ACRES  
(VOL. 3326, PAGE 178)

J.P. WALLACE SURVEY, A-902

LOCABLE LIVING TRUST  
SECOND TRACT  
3.87 ACRES  
(VOL. 3326, PAGE 178)

(DEED N 17° 29' 30" E - 836.54')

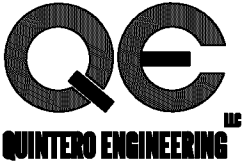
N 15° 21' 07" E - 836.08'

GENERAL COMMON  
ELEMENT SUBJECT TO  
DEVELOPMENTAL RIGHTS

MATCHLINE - SEE SHEET 19

MATCHLINE - SEE SHEET 20

SHEET 18



# QUINTERO ENGINEERING, LLC

CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT

415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962

T.B.P.E. FIRM REGISTRATION NO. 14709

T.B.P.L.S. REGISTRATION NO. 10194110

MATCHLINE - SEE SHEET 17

T-POST FOUND

APPROXIMATE LOCATION OF A  
10' EASEMENT & RIGHT-OF-WAY  
PER VOL. 4262, PG. 453

SCALE: 1" = 60'

DANA EDDLEMAN AND WIFE  
KRISY EDDLEMAN  
CALLED 210.64 ACRES  
(VOL. 3059, PAGE 307)

MATCHLINE - SEE SHEET 18

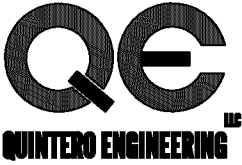
GENERAL COMMON  
ELEMENT SUBJECT TO  
DEVELOPMENTAL RIGHTS

S 16° 44' 48" W - 837.80'  
(DEED S 18° 50' 45" W - 838.39')

SALADO WATER SUPPLY  
CORPORATION  
CALLED 2.07 ACRES  
(VOL. 4097, PAGE 318)

MATCHLINE - SEE SHEET 21

SHEET 19



# QUINTERO ENGINEERING, LLC

CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT

415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962

T.B.P.E. FIRM REGISTRATION NO. 14709

T.B.P.L.S. REGISTRATION NO. 10194110

MATCHLINE - SEE SHEET 18

THE JDS & BCBS REVOCABLE  
CALLED SECOND TRACT  
CALLED 3.87 ACRES  
(VOL. 3326, PAGE 3)

SCALE: 1" = 60'

GENERAL COMMON  
ELEMENT SUBJECT TO  
DEVELOPMENTAL RIGHTS

KENNETH S. QUIRK AND WIFE, LINDA QUIRK  
CALLED TRACT TWO CALLED 4.66 ACRES  
(VOL. 3059, PAGE 316)

(DEED N 17° 29' 30" E - 836.54')  
N 15° 21' 07" E - 836.08'

J.P. WALLACE SURVEY, A-902

MATCHLINE - SEE SHEET 21

N 72° 15' 17" W - 275.14'  
(DEED N 70° 03' 00" W - 275.00')

DANA EDDLEMAN AND WIFE  
KRISY EDDLEMAN  
CALLED 210.64 ACRES  
(VOL. 3059, PAGE 307)

KENNETH S. QUIRK AND  
WIFE, LINDA QUIRK CALLED  
TRACT ONE  
CALLED 295.78 ACRES  
(VOL. 3059, PAGE 316)





# QUINTERO ENGINEERING, LLC

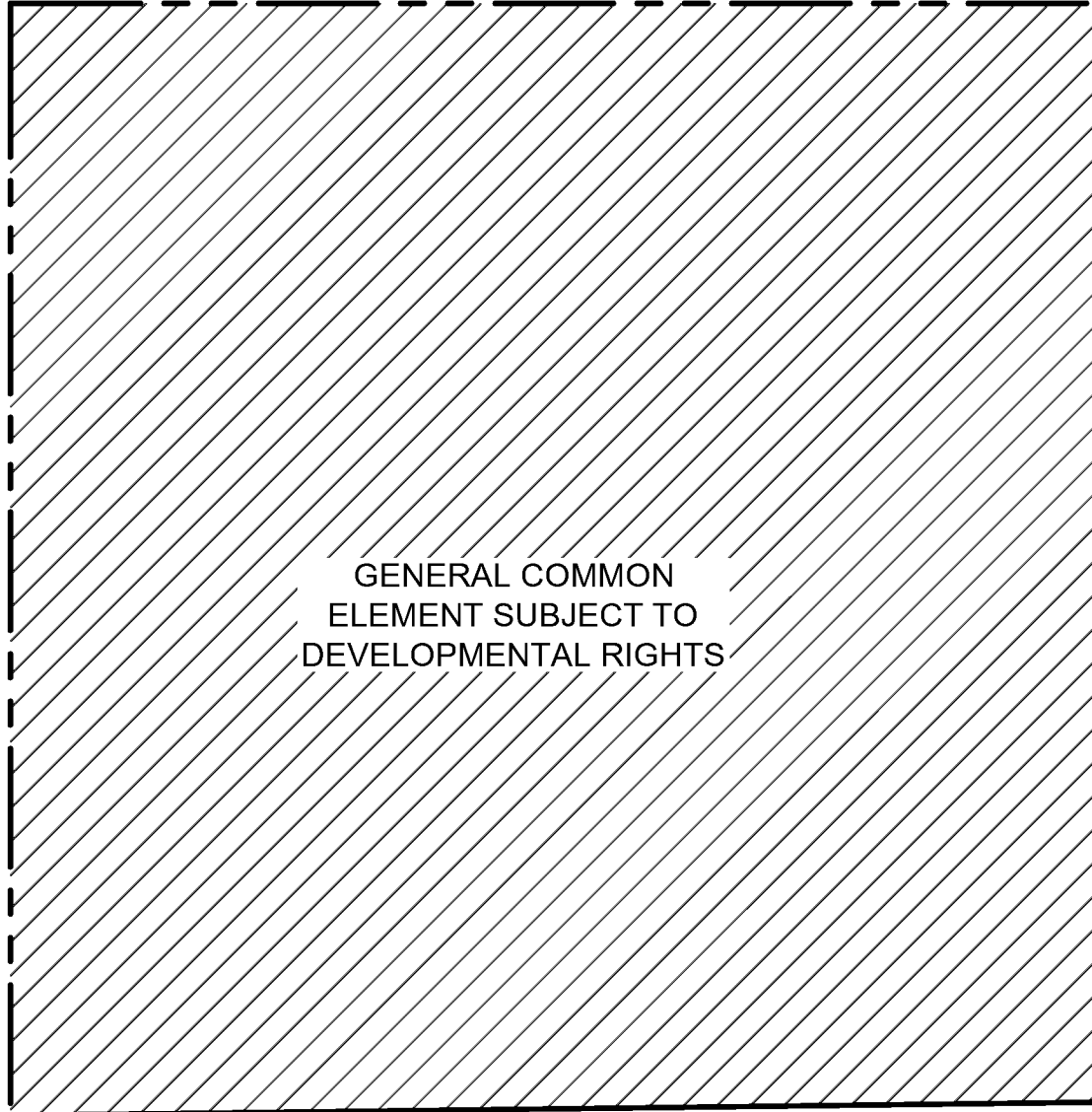
CIVIL ENGINEERING • LAND SURVEYING • PLANNING • CONSTRUCTION MANAGEMENT

415 E. AVENUE D, KILLEEN, TEXAS (254) 493-9962

T.B.P.E. FIRM REGISTRATION NO. 14709

T.B.P.L.S. REGISTRATION NO. 10194110

MATCHLINE - SEE SHEET 19



SCALE: 1" = 60'

MATCHLINE - SEE SHEET 20

GENERAL COMMON  
ELEMENT SUBJECT TO  
DEVELOPMENTAL RIGHTS

S 16° 44' 48" W - 837.80'  
(DEED S 18° 50' 45" W - 838.39')

DANA EDDLEMAN AND WIFE  
KRISY EDDLEMAN  
CALLED 210.64 ACRES  
(VOL. 3059, PAGE 307)

5/8" IRON  
ROD FOUND

N 73° 22' 58" W - 399.54'  
(DEED N 71° 16' 00" W - 400.00')

DANA EDDLEMAN AND WIFE  
KRISY EDDLEMAN  
CALLED 210.64 ACRES  
(VOL. 3059, PAGE 307)

KENNETH S. QUIRK AND  
WIFE, LINDA QUIRK CALLED  
TRACT ONE  
CALLED 295.78 ACRES  
(VOL. 3059, PAGE 316)

**ATTACHMENT 3**  
**[ENCUMBRANCES]**

- Restrictive covenants of record as cited in Volume 2690, Page 700 and corrected in Volume 2694, Page 148, Deed Records, Bell County, Texas, and as cited in Volume 3252, Page 735, Official Public Records of Real Property, Bell County, Texas.
- Easements to Texas Power & Light Company, as cited in Volume 489, Page 55, Volume 568, Page 431, Volume 677, Page 422, and in Volume 677, Page 423, Volume 783, Page 180, Volume 783, Page 181, Volume 1136, Page 56, and in Volume 1205, Page 674, Deed Records, Bell County, Texas.
- Twenty foot (20') Drainage Easement as granted in Warranty Deed dated August 27, 1971, recorded in Volume 1145, Page 275, Deed Records of Bell County, Texas.
- Thirty foot (30') Access Easement as cited in Warranty Deed dated November 20, 1990, recorded in Volume 2582, Page 652, Official Public Records of Real Property, Bell County, Texas.
- Easement to Texas Utilities Electric Company, recorded Volume 2692, Page 563, Official Public Records of Real Property, Bell County, Texas.
- Non-exclusive, perpetual right of ingress and egress as granted in Warranty Deed dated December 15, 1994, recorded in Volume 3252, Page 741, Official Public Records of Real Property, Bell County, Texas.
- Subject to the right of Salado Water Supply Corporation to ownership and possession of and the right to maintain a water well, fences and other related structures as presently existing near the northwest corner, as cited in Warranty Deed dated December 15, 1994, recorded in Volume 3252, Page 732, Official Public Records of Real Property, Bell County, Texas.
- Easements to TXU Electric Company recorded in Volume 4186, Page 473 and in Volume 4262, Page 453, Official Public Records of Real Property, Bell County, Texas.
- Dedication of Sanitary Control Easement dated February 5, 2001 from Salado Water Supply Corporation to the Public, recorded in Volume 4333, Page 520, Official Public Records of Real Property, Bell County, Texas.
- Lease Agreement dated January 25, 2005, recorded in Volume 5600, Page 93, Official Public Records of Real Property, Bell County, Texas, by and between Richard Worrall and wife, Saeko Worrall and Salado Water Supply Corporation (0.18 acre together with thirty foot (30') Access Easement).

ATTACHMENT 3

DECLARATION OF CONDOMINIUM REGIME  
SALADO AIRPORT CONDOMINIUMS

\*\*\*\* Electronically Filed Document \*\*\*\*

**Bell County, Tx  
Shelley Coston  
County Clerk**

**Document Number: 2019-25214**

**Recorded As : ERX-RECORDINGS**

**Recorded On: June 13, 2019**

**Recorded At: 11:46:26 am**

**Number of Pages: 83**

**Book-VI/Pg: Bk-OR VI-10879 Pg-708**

**Recording Fee: \$335.00**

**Parties:**

**Direct- 2TX MANAGEMENT LLC**

**Indirect- SALADO AIRPORT CONDOMINIUMS**

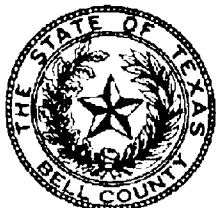
**Receipt Number: 373553**

**Processed By: Manuela Saunders**

(Parties listed above are for Clerks reference only)

\*\*\*\*\* THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.



I hereby certify that this instrument was filed on the date and time stamped hereon and was duly recorded in the Real Property Records in Bell County, Texas

**Shelley Coston  
Bell County Clerk**

A handwritten signature in cursive script that reads "Shelley Coston".