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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
PADRE CEDARS III
A Planned Unit Development

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

PADRE CEDARS III

A Planned Unit Development

THIS DECLARATION is made this 26th day of April, 1995, by JAMES F. MAIXNER and shall be binding on his heirs, personal representatives and assigns, hereinafter collectively referred to as "Declarant".

W I T N E S S E T H:

WHEREAS, Declarant, is the owner of certain property in the County of Nueces, State of Texas, which is more particularly described as follows ("Property"), to-wit:

Lot Twenty-Eight R (28R), Block Fourteen (14), PADRE ISLAND-CORPUS CHRISTI PORTS O CALL, a Subdivision in the City of Corpus Christi, Nueces County, Texas, as shown by the map or plat thereof, recorded in Volume ~~38~~ Page 181, Map Records of Nueces County, Texas, to which reference is here made for all pertinent purposes. 56

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

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to TOWNHOME ASSOCIATION OF PADRE CEDARS III, INC., a Non-Profit Texas corporation, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any building site which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Property" shall mean and refer to that certain real property hereinbefore described, and such additions hereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners. The Common Area to be unencumbered (save and except the construction lien) and owned by the Association at the time of the conveyance of the first Building Site is described as follows:

Lot Twenty-Eight R (28R), Block Fourteen (14), PADRE ISLAND-CORPUS CHRISTI PORTS O CALL, a Subdivision in the City of Corpus Christi, Nueces County, Texas, as shown by the map or plat thereof, recorded in Volume ~~38~~ Page 181, Map Records of Nueces County, Texas; SAVE AND EXCEPT ALL BUILDING SITES LOCATED ON SAID LOT(S) AND THE LIMITED COMMON AREA AS DEFINED HEREIN.

Section 5. "Building Site" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property with the exception of the Common Area.

Section 6. "Home" shall refer to the improvements constructed upon any building site (including the garage, if any), subject to this Declaration, for use as a single family dwelling, as that term is defined by local ordinance.

Section 7. "Declarant" shall mean and refer to James F. Maixner, his heirs, personal representatives and assigns if such successors or assigns should acquire more than one (1) undeveloped building site from the Declarant for the purpose of development.

Section 8. "Limited Common Area" shall mean that portion of the patio and dock area located in the navigation channel and abutting to each building site. The Owner of each building site shall have an exclusive easement to use the limited common area adjoining their building site for their benefit and the benefit of their family, tenants, contract purchasers, guests and invitees. Fee simple title to the Limited Common Area shall be owned by the Association. The Board of Directors of the Association shall resolve any dispute over use of such Limited Common Area.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every building site, subject to the following provisions:

- (A) The right of the Association to suspend the voting rights and right to use of the recreational facilities, if any, by an Owner for any period during which any assessment against his building site remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations; and
- (B) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members.

No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3rds) of each class of members has been recorded.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a building site which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any building site which is subject to assessment.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each building site owned. When more than one (1) person holds an interest in any building site all such persons shall be members. The vote for such building site shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any building site.

Class B. The Class B member(s) shall be the Declarant (or lienholder as provided in Article XII herein) and shall be entitled to three (3) votes for each building site owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) On April 1, 1998.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each building site owned within the Property, hereby covenants, and each Owner of any building site, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided and (3) a "working capital fund fee" equal to one-quarter of the annual assessment which was in effect at the time the Owner acquired title to the building site. The covenant in this section shall not constitute a guarantee, or promise of any kind by Declarant to pay any assessment, or any other obligation of any other Owner, other than Declarant. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the building site against which each assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them. The Association may elect to bill for and collect the annual assessment from each Owner on a monthly, quarterly or semi-annually basis.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area and of the homes situated upon the Property. The assessments shall be placed in an account ("Common Fund") for such purposes.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first building site to an Owner, the maximum annual assessment shall be One Thousand Twenty and No/100 Dollars (\$1,020.00) per building site, except that such annual assessment may be increased as follows:

- (A) From and after January 1 of the year immediately following the conveyance of the first building site to an Owner, the maximum annual assessment per building site may be increased each fiscal year not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the membership.
- (B) From and after January 1 of the year immediately following the conveyance of the first building site to an Owner, the maximum annual assessment per building site may be increased above ten percent (10%) by a vote of two-thirds (2/3rds) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.
- (C) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3rds) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any action Authorized under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Except as specifically provided in Section 7 of this Article, both annual and special assessments must be fixed at a uniform rate for all building sites and may be collected on a monthly basis.

Section 7. Unimproved Building Site(s) Owned by Declarant. Declarant shall pay as an annual maintenance charge for each unimproved building site owned by it an amount which shall be equal to twenty-five percent (25%) of the then existing full maintenance charge assessed for each building site, unless and until a home has been built and completed thereon and city residential occupancy approval has been obtained therefor. Thereafter, commencing on the first day of the next succeeding calendar month, the full maintenance charge then assessed shall become applicable. If the maintenance charge on such building site has been prepaid at twenty-five percent (25%) of the full maintenance charge then assessed, then for the portion of the calendar year remaining as herein provided, the then Owner of such building site shall be obligated to pay to the Association, on the date the full maintenance charge becomes applicable as herein provided, that pro rata portion of the difference between (i) the full maintenance charge then assessed and (ii) the unimproved building site maintenance charge which has been prepaid, which pro rata portion shall bear the same ratio to said difference as the number of full calendar months remaining in such calendar year bears to twelve (12). The term "substantial completion" as used in this Declaration shall mean that the residence is ready for sale or occupancy, except for minor items which must be furnished, completed, corrected or adjusted.

Section 8. Date of Commencement of Annual Assessments and Due Dates. Except as specifically provided in Section 7 of this Article, the annual assessments provided for herein shall commence as to all building sites on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The

Board of Directors shall fix the amount of subsequent annual assessments against each building site at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors and, unless otherwise provided, the Association shall collect each month from the Owner of each building site, one-twelfth (1/12th) of the annual assessment for each building site. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer, or the managing agent, if any, of the Association setting forth whether the assessments on a specified building site have been paid. A properly executed certificate of the Association as to the status of assessments on a building site is binding upon the Association as of the date of its issuance.

Section 9. Effect of Nonpayment of Assessments and Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, then it shall bear interest from the due date at the rate of ten percent (10%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against such Owner's building site, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area, or abandonment of his building site, or by renunciation of membership in the Association.

Each such Owner, by acceptance of a deed to a building site, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of liens against real property, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage foreclosure on real property and such Owner hereby expressly grants to the Association a power of sale in connection with the foreclosure of said lien.

One method of enforcement and foreclosure of such assessment liens, although not to the exclusion of other means of enforcement, shall be by the Association appointing, in writing, a Trustee, and upon requesting the Trustee to foreclose the lien, the Trustee shall do the following:

- (1) Advertise the time, place, and terms of sale and mail notices as required by Section 51.002, Texas Property Code, as then amended, and otherwise comply with that statute;
- (2) Sell all or part of the property to the purchaser with a general warranty binding the defaulting Owner; and
- (3) From the proceeds of the sale, pay, in this order:
 - (a) Expenses of foreclosure, including a reasonable commission to Trustee;
 - (b) To the Association, the full amount of principal, interest, attorney's fees, and other charges due and unpaid;
 - (c) Any amounts required by law to be paid before payment to the defaulting Owner; and
 - (d) To the defaulting Owner, any balance.

The Association, acting on behalf of the Owners shall have the power to bid for the interest foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same; and to subrogate so much of its right to such liens as may be necessary or expedient to an insurance company continuing to give total coverage notwithstanding nonpayment of such defaulting Owner's portion of the premium for fire and other hazard insurance.

If any of the property is sold under this lien, the defaulting Owner shall immediately surrender possession to the purchaser. If the defaulting Owner fails to do so, the defaulting Owner shall become a tenant at will of the purchaser, subject to an action for forcible detainer. Recitals in any trustee's deed conveying the property will be deemed conclusively true. Notwithstanding anything contained herein to the contrary, an Owner may give to the Association, subject to acceptance thereof by the Association, a deed in lieu of foreclosure.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate and inferior to any mortgage, vendor's lien, deed of trust or other security instrument which secures any loan made by any lender to an Owner or Declarant for any part of the purchase price of any building site and the improvements thereon, if improved, when the same is purchased, or for any part of the cost of constructing, repairing, adding to, or remodeling the residence and appurtenances situated on any building site to be utilized for residential purposes, and which mortgage, vendor's lien, deed of trust or other security instrument is filed for record prior to the

date on which payment of any such charges or assessments become due and payable. Sale or transfer of any building site shall not affect the assessment lien. However, the sale or transfer of any building site pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such building site from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Exempt Property. All property dedicated to, and accepted by, a local public municipality or authority, and the Common Area shall be exempt from the assessments created herein. However, no land or improvements devoted to single family occupancy shall be exempt from said assessments.

Section 12. Reserves and Surplus. The Association's Board of Directors may establish, from time to time, reserves for such lawful purposes as in its sole discretion it may determine necessary to be desirable for the greater financial security of the Association and the effectuation of its purpose. The Association shall not be obligated to spend in any fiscal year all of the sums collected in such year, and may carry forward, as surplus, any balances remaining; nor shall the Association be obligated to apply any such surplus to the reduction of the amount of the annual assessment in the succeeding year, but may carry forward same from year to year.

Section 13. Establishment of Working Capital Fund. Notwithstanding anything contained herein to the contrary, Declarant shall establish a working capital fund to insure that the Association will have the funds to meet unforeseen expenditures or to purchase any additional equipment or services. The fund should equal at least one-quarter (1/4) of the current annual assessment for each Home as determined by the Board of Directors in their sole discretion. Any amounts paid into this fund should not be considered as advance payments of regular annual assessments. Upon the later conveyance of any Home, the new purchaser shall be required to pay any difference between the actual amount in the fund for such Home and the then current assessment rate for the Home.

Section 14. Collection of Working Capital Fund. Each Home's share of the working capital fund shall be collected from the purchaser at the time the sale of the Home is closed and then shall be transferred to the Association for deposit to a segregated fund. Within one (1) year after the closing has been held for the first Home, the Declarant shall pay each unsold Home's share of the working capital fund to the Association. The Declarant should then be reimbursed for this payment by the purchaser of each previously unsold Home when the sale of such Home closes.

ARTICLE V

EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each building site which is subject to assessment hereunder, as follows: paint, repair, replacement and care of roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces, patio areas, dock areas, windows, doors and garage doors, or their fixtures or hardware, landscaping installed by Owner (if any), exterior light fixtures operated from a Home, mechanical equipment and exterior hardware servicing a particular Home. The Limited Common Areas shall be maintained by each respective Owner who has exclusive use of the particular patio and dock adjoining their Building Site.

In the event that the need for maintenance or repair of a building site or the improvements thereon is caused through the willful or negligent acts of its Owner, or through the willful or negligent acts of the family, guests or invitees of the Owner of the building site needing such maintenance or repair, the cost of such exterior maintenance shall be added to and become part of the assessment of which such building site is subject.

In the event an Owner of any building site in the Property shall fail to maintain the premises and the improvements situated thereon (other than those repairs to be provided by the Association) in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3rds) vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said parcel and to repair, maintain, and restore the building site and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which such building site is subject.

ARTICLE VI

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Property and placed on the dividing line between the building site, shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one (1) arbitrator, and such arbitrators shall choose one (1) additional arbitrator, and the decision shall be by a majority of all the arbitrators.

Section 7. Party Wall Insurance. Notwithstanding anything contained herein to the contrary, in the event the subject loss is covered by insurance, then this article shall apply with respect only to that portion of the loss for which the insurance proceeds are not available.

ARTICLE VII

INSURANCE AND CONDEMNATION

Section 1. Physical Damage Insurance. The Declarant, for each building site owned, hereby irrevocably nominates, and each Owner of any building site by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to irrevocably nominate the Association, as Trustee, with authority to obtain and maintain fire insurance and extended coverage for all Homes, insuring the building and fixtures (permanently attached to the building) in an amount sufficient to cover the full replacement cost thereof. Such insurance, to the extent available, may include (but not to the exclusion of other coverage deemed appropriate by the Association) coverage against water damage, flood insurance, vandalism and malicious mischief. Such policies of physical damage insurance shall be written in the name of the Association, as Trustee for each building site Owner, and shall contain Waivers of Subrogation against individual building site Owners, the Association, its Board of Directors, Officers, Employees and/or Agents, and Waivers of any reduction of pro rata liability of the insurer as a result of any insurance carried by any building site Owner, or, of the invalidity arising from any acts of the insureds, or any building site Owner, and shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days prior written notice to all of the insureds, including any mortgagee of any building site, unless an endorsement for such period is unavailable, in which case the standard policy time period shall apply.

Each policy shall contain a Texas Standard Mortgagee clause in favor of any first mortgagee of any building site, which shall provide that the loss, if any, shall be payable to such first mortgagee as its interest may appear, subject however, to the loss payment provisions in favor of the Association as set forth herein. All such policies shall provide that adjustments of loss shall be made by the Association with the approval of the building site Owner, and that the net proceeds therefrom shall be payable to the Association, as Trustee.

For so long as the Association carries a blanket policy on the Project, the premiums for insurance obtained by the Association on each building site shall be a part of the common charge under annual assessment. In the event the Association elects to discontinue the use of the blanket policy or for some other reason decides that the premiums shall not be a part of the common charge, then such premiums shall be an

expense of the specific Owner of the building site so covered and a debt of such Owner and shall be paid within thirty (30) days after notice and statement thereof. Although the Association shall not be liable for the payment of premiums, in the event of an Owner's default, the Association may advance the payment therefor, on the account of the defaulting Owner. In such event of default, the premium, together with interest, costs and reasonable attorney's fees, shall become a charge and continuing lien against the building site upon which such premium charge is made. Such lien shall have the same priority status and may be enforced in the same manner as the lien for annual or special assessments provided in this Declaration.

Building site Owners shall not be prohibited from carrying additional insurance for their own benefit, provided that such policies contain Waivers of Subrogation against individual building site Owners, the Association, its Board of Directors, Officers, Employees and/or Agents, and further provided that the liability of the carrier issuing the insurance procured by the Association shall not be affected or diminished by reason of any such additional insurance carried by any building site Owner.

All insurance proceeds paid on any loss claim shall be first deposited in a bank or other financial institution, in an interest bearing account insured by a Federal Government Agency, with provision that such proceeds, or any part thereof, may only be withdrawn upon the signatures of at least two (2) members of the Board of Directors, or their designee. Furthermore, the Association shall thereupon procure a Fidelity Bond covering its Board of Directors, Officers, Employees and/or Agents in connection with such proceeds.

Notwithstanding the foregoing provisions of this section, it is further provided that the requirement for the maintenance of insurance on a Home shall not apply to any Home acquired by the Veteran's Administration or Federal Housing Administration under a mortgage foreclosure during the period of ownership by either said Veteran's Administration or the Federal Housing Administration.

The initial policy of physical damage insurance on any particular Home shall be in such amount as may be required by any first mortgagee of such Home, but in no event in an amount less than the amount of the purchase price, less the sum of One Thousand and No/100 Dollars (\$1,000.00). Any building site Owner may, upon written request, direct the Association to increase insurance coverage on his particular Home to such amount as the carrier selected by the Association is willing to underwrite. The amount of such insurance coverage shall be increased annually to cover the increase, if any, in the replacement cost of each Home.

Only the Association, as Trustee, the building site Owner, and his first mortgagee shall be beneficiaries under the policy, although not necessarily named in said policy. Assignment of the policy or of the proceeds of the policy, in the event of loss, shall be prohibited.

The Association may consult with and employ an attorney of its choice with respect to any question relating to its duties or responsibilities hereunder and shall not be liable for any action taken or omitted by it in good faith or on advice of counsel. The Association shall be reimbursed for all expenses incurred by it in connection with its duties under this Article, as a charge against the insurance proceeds, except for such expenses incurred as a result of bad faith or willful misconduct.

Section 2. Public Liability Insurance. The Association shall obtain broad form public liability insurance protecting the Association, the Board of Directors, Officers, Employees and/or Agents of such Association, in a combined single limit amount of not less than One Million and No/100 Dollars (\$1,000,000.00), or such other comparable insurance as the Association deems desirable. The Association shall also include coverage for individual building site Owners for occurrences on the Property, except for areas reserved for the exclusive use and occupancy of such individual building site Owner. Premiums for public liability insurance shall be part of the common expense payable out of annual assessments provided herein. Each building site Owner shall be responsible for his own personal liability for areas within the exclusive use and occupancy of such Owner.

The Association may secure such other forms of insurance coverage as its Board of Directors may from time to time direct, to be paid as a common expense.

Section 3. Limitations on Hazards. Under no circumstance shall an Owner permit or suffer anything to be done or left in his Home which will increase the insurance rate on his Home or any other Home, or of the Common Area (including the Exclusive Use Areas, if any), other than an endorsement for Tenant Occupancy or Vacancy.

Section 4. Repair or Reconstruction After Fire or Other Casualty.

- (A) In the event of any injury or damage to or destruction of any part of the improvements on the Property ("Project") as a result of fire or other casualty covered by insurance, the Association shall, except as provided in sub-section (D) below, arrange for the repair and restoration of the improvements (including any damage to Homes, except wall, ceiling, or floor decorations or coverings, or other furniture, furnishings, fixtures, or equipment installed by building site Owners individually), in accordance with the original plans and specifications (except as modified to changed building requirements or conditions), and the Association shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration, in appropriate progress payments.
- (B) If such insurance indemnity or proceeds collected shall exceed the total cost of such reconstruction or repair, then, unless the contract of insurance or the bylaws, as existing or as may be hereafter amended, shall specify otherwise, the Association or other agent or person named as Trustee in the policy of insurance and collecting such proceeds, shall pay over such excess to the building site Owner (unless otherwise specified by such Owner's loan documents), upon the tender to the Association by such Owner of a duly executed Release of Liability and/or accountability for the use of such insurance proceeds.
- (C) Where the insurance indemnity is insufficient to cover the cost of reconstruction, and reconstruction is required as provided for herein, the building or reconstruction costs in excess of the insurance proceeds shall be paid by the Association from the Common Fund, and in the event the Common Fund is inadequate to cover such cost, such inadequacy shall be paid for by all building site Owners by a special assessment in proportion to their respective interests, as set forth in this Declaration, or as may be provided for in the By-Laws.
- (D) Should two-thirds (2/3rds) or more of the existing buildings be destroyed or substantially damaged, and should the Association not voluntarily, within one hundred twenty (120) days thereafter, make provision for reconstruction and restoration to the original condition, then any insurance settlement proceeds shall be collected by the Association. After payment of expenses to remove all debris and to restore the land to its pre-existing grade, the proceeds shall be divided according to each building site Owner's interest, and, upon such division, the Association shall hold the share of each building site Owner in a separate trust account for the benefit of the Owner and their First Mortgagee, if any. From each separate account, the Trustee shall use and disburse the total amount of each account toward the full payment of the following, for and on behalf of the building site Owner for whom each account is held:
- (1) The payment of any balance of any mortgage liens on such Owner's building site which are superior to the liens described below, in order of their priority;
 - (2) The payment of taxes and special assessment liens on such building sites in favor of any taxing entity;
 - (3) The payment of such Owner's share of unpaid common expenses and assessments of the Association;
 - (4) The payment of junior liens on such building site, in the order and to the extent of their priority; and
 - (5) The balance remaining, if any, to the building site Owners. The determination of whether two-thirds (2/3) or more of the Project shall have been destroyed or substantially damaged by any fire or other disaster or casualty shall be made by the Association.
- (E) With respect to the allocation of sums required to be paid within the limits of the deductible portion of insurance policies, the party or building site causing the damage shall be responsible for such deductible amount, whether or not caused by the negligence or fault of such building site Owner.

Section 5. Other Insurance. The Association shall have the authority to procure whatever other forms of types of insurance, including Fidelity Bonds, as it deems desirable.

Section 6. Condemnation. If all or any part of the Property is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Association, as Attorney In Fact, and each Owner shall be entitled to participate in proceedings incident thereto at their respective expense. The Association shall give timely written notice of the existence of such proceedings to all Owners and to all First Mortgagees known to the Association to have an interest in any Building Site. The expense of

participation in such proceedings by the Association shall be borne by the Common Fund. The Association, as Attorney In Fact, is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Association in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for any such taking shall be deposited with the Association, as Attorney In Fact, and such damages or awards shall be applied, and the condemnation process shall operate in the manner set forth herein for casualty loss.

Section 7. Alternative Means of Administration. Notwithstanding anything contained herein to the contrary, the Association may temporarily withdraw from its role as Trustee for purposes of administration of insurance policies and/or proceeds (from insurance or condemnation awards), and may provide for each individual building site Owner to make his or her own provision for same, either with respect to a part or the whole of such policies and/or proceeds. In any event, the Association shall have the right and authority, at any time, to resume the administration, as Trustee, of such policies and/or proceeds (from insurance or condemnation awards). In the event separate policies in the name of individual Owners are in effect at a time when the Association desires to act as Trustee, then on the anniversary date of the individually held policies, such policies shall be cancelled and replaced by policies under which the Association is acting as Trustee, in accordance with this Article.

ARTICLE VIII

EASEMENTS

Section 1. Encroachments. Each building site and the Common Area and Limited Common Area shall be subject to an Easement for Encroachments created by construction, reconstruction, repair shifting, settling, or other movement of any portion of the improvements which results either in the common elements encroaching on any unit, or in any unit encroaching on the common elements or on another unit. A valid Easement shall and does exist for said encroachments and for the maintenance of same, so long as they stand.

Section 2. Utility Easements. There is hereby created a Blanket Easement upon, across, over and under all of said properties for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewers, gas, telephones and electricity, and a master or cable television antenna or satellite system. By virtue of this Easement, it shall be expressly permissible for the company providing electrical, water, sewer, gas, master or cable television antenna, and/or telephone service to install, erect and maintain all necessary pipes and conduit underground and other necessary equipment at or below grade on said property and to affix and maintain electrical, cable television and/or telephone wires, circuits and conduits on, above, across and under the roofs and exterior walls of said Homes, and meters and shutoffs at or inside said Home.

Notwithstanding anything herein to the contrary, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on said property except as initially replanned and approved by the Declarant or thereafter approved by the Declarant or the Association's Board of Directors. Should any utility furnishing a service covered by the general Easement herein provided request a specific Easement by a separate recordable document, Declarant shall have the right to grant such Easement on said property without conflicting with the terms hereof, so long as such specific Easement does not increase the burden upon the subject property. The Easement provided for in this Article shall in no way affect any other recorded easement on said premises.

Section 3. Association Maintenance Easement. There is hereby reserved and created in favor of the Association on a permanent basis an easement in the nature of a temporary or emergency right-of-entry into each and every building site and/or Home during the absence of the Owner or Owners thereof, without notice, for the express and limited purposes of making emergency utility or other repairs to such building site or adjacent building sites and any Homes thereon, and the Owner shall be required to deposit with the Association a key for such purpose, which key the Association shall be required to maintain under complete security.

ARTICLE IX

GENERAL COVENANTS

Section 1. Estate. Each building site shall be conveyed as a separately designated and legally described freehold estate subject to the terms, conditions and provisions hereof.

Section 2. Construction Period. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for Declarant or the builder of the Homes to maintain during the period of construction and sale of said Homes, upon such portion of the premises as Declarant deems necessary, such facilities as may be reasonably required, convenient or incidental to the construction and sale of said Homes, including, but without limitation, a business office, storage area, construction yards, signs, model units and sales office.

Section 3. Private Gardening. No planting or gardening shall be done, and no fences, hedges or walls shall be erected or maintained upon the Properties (which includes the building sites) except that Owners may extend and supplement landscape plantings, (a) between the rear walls of their Home and their building site line, (b) in the immediate area of their entry porch, (c) in planting beds designated on a Landscape Plan along entry paths, if any, and (d) within unsodded areas within their building site lines, provided, (1) all such supplemental plantings be forever maintained by the Owner, and (2) such supplemental landscape plantings are compatible with the existing Landscape Plan. The Association's Board of Directors or their designated Committee may adopt such rules and regulations to govern and enforce the provisions of this section, which rules and regulations may include the right of the Association to maintain any supplemental landscape plantings upon the failure of the Owner to do so, and to impose against such Owner an assessment for the expense incurred. It is expressly acknowledged and agreed by all parties concerned that this Section is for the mutual benefit of all Owners of building sites.

Section 4. Modification. No modification of any kind to the exterior of the Home, either to the structure or the appearance thereof, including, but not limited to, the walls, roof, windows and doors, the color of exterior walls, roof, windows, doors and trim, awnings, mechanical devices, flags, storage structures or bunting shall be made without first obtaining the express written consent of the Association's Board of Directors, upon due written application made. The Board of Directors shall adopt such rules and regulations to enforce this section as it, from time to time, deem necessary.

Section 5. Unightly Objects. Each Owner shall maintain, clean and keep free from unsightly objects, the entry, porch, patio or deck and yard of his Home.

Section 6. Sports Activities. There shall be no organized sports activities in the Common Area, except as designated by the Association's Board of Directors.

Section 7. Use of Garage. The garage of every Home shall be used only for parking motor vehicles and for general storage and shall not be used for human habitation.

Section 8. Other Rules. The Board of Directors may, from time to time, adopt additional rules and regulations governing the use of the Common Area and the Restricted Common Area and the conduct of all residents and guests on the Property. No action shall be taken by the Association or its Board of Directors which in any manner would discriminate against any Owner(s) in favor of the other Owners.

Section 9. Zoning and Specific Restrictions. These Restrictions shall not be taken as permitting any action or thing prohibited by the applicable zoning laws, or the laws, rules or regulations of any governmental authority, or by specific restrictions of record. In the event of any conflict, the most restrictive provisions of such laws, rules, regulations, restrictions of record, or these Restrictions shall be taken to govern and control.

Section 10. Architectural Control. No building, fence, wall or other structure shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by an architectural committee composed of three (3) or more representatives appointed by the Owners. In the event said committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specification have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. The Board of Directors may act in the capacity of the architectural committee in the absence of a separately designated committee.

Section 11. Use Restrictions.

1. **Activity:** No commercial activity of any nature shall be carried on upon any building site, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood, and no part of said premises shall be used for the commercial treatment of tuberculosis or any other contagious or infectious disease. Only pets and animals ordinarily kept as pets in residential subdivisions (specifically

excluding cattle, hogs, pigs (including pot-bellied pigs) sheep, goats, poultry, horses and/or wild animals) may be kept on any part of the addition, provided they are not kept or bred for commercial or business purposes.

2. **Mineral Exploration:** No oil or gas drilling, oil, gas or other development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any building site, nor shall oil wells, oil or gas pipelines, tanks, tunnels, mineral excavations or shafts be permitted upon or in any building site. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any building site.

3. **Signs:** No sign of any kind shall be displayed to the public view except one professional sign advertising the property for sale, or signs used by a builder to advertise the property during the construction and initial sales period of said builder. In no event shall any sign be more than five (5) square feet. These signage restrictions shall not apply to Owners or their successors and/or assigns, during the period in which building sites are initially sold.

4. **Temporary Structures:** No structure of a temporary nature, nor any trailer, tent, shack, garage or other outbuilding, or any part thereof, shall be used as a residence or dwelling, either temporarily or permanently. Garages, basements and outbuildings that are appurtenant to a residence may be erected on each building site upon which a main dwelling has been erected.

5. **Parking:** No parking shall be allowed in the streets or in the alleys. As an exception to this restriction, it is agreed that Owners' guests may park their autos in front of building sites during the hours beginning 8:00 A.M. until 12:00 P.M. (Midnight). Buses, trucks in size over one (1) ton, boats, disabled vehicles, recreational vehicles and house trailers may not be parked upon, and vehicles shall not be washed upon, any portion of any building site or any Common Area and shall be kept only in areas designated by the Association.

6. **Toilets and Dumping:** No building site shall be used or maintained as a dumping ground for rubbish or trash. No outdoor toilet shall be placed on any building site.

7. **Garbage Disposal:** Garbage shall be kept in sanitary containers at all times and such containers shall be kept in a clean and sanitary condition. No trash cans or garbage cans shall at any time or times be permitted on the street, or forward of the front building line so that they may be seen by anyone using the street along such building site. All garbage and trash storage and pick-up shall be behind the improvements.

8. **Clotheslines:** No clothesline may be placed where they are visible from the street. Such clothesline must be enclosed by hedge or other type screening enclosure as may be approved by the Committee as a part of the plans for the improvements to be located on the property.

9. **T. V. Aerials:** No radio or television aerial, satellite receiver, discs or guy wires in excess of ten feet (10') in height shall be maintained on any portion of any building site.

10. **Construction in Conformity with Law:** All construction on every building site and the uses of every building site shall conform with all Ordinances of the City of Corpus Christi relating to building, safety, fire protection and zoning.

11. **Materials:** All materials must be new materials or substantially the same or better than that which can be produced on the date construction on the improvements commenced and no secondhand or used materials shall be utilized in the construction of improvements on any building site within the subdivision.

12. **Animals:** No horses, cattle, cows, hogs, swine, sheep, goats, poultry or livestock of any kind, other than pets of reasonable kind and number ordinarily kept in residential subdivisions, may be kept on any part of the subdivision. No pets may be kept or bred for commercial or business purposes nor shall they be allowed to run at large within the subdivision. Should ordinary household pets become a nuisance in the opinion of the Declarant, they must be removed from the premises and the addition.

13. **Leasing:** Any lease or rental agreement must be in writing and must be subject to the requirements of the project documents and the owners' association. No building unit may be leased or rented for less than seven days.

ARTICLE X

ANNEXATION

Additional residential property and Common Area may be annexed to the Property with the consent of two-thirds (2/3rds) of each class of members, unless otherwise provided herein.

The Declarant may annex additional building sites and Common Areas to Padre Cedars III without the consent of members within three (3) years from the date of this instrument. In the event that there is a valid VA and/or FHA and/or FNMA and/or FHLMC letter of acceptance outstanding regarding Padre Cedars III, such annexation shall require a determination that such annexation is in accord with the general plan previously approved by such entity.

In the event Declarant annexes any property as a part of Padre Cedars III, Declarant agrees that 1) all improvements will be substantially completed prior to annexation; 2) all unit owners shall be assessed an equal amount as all other unit owners and shall have one association vote per unit; and 3) the quality of construction of the future improvements shall be consistent with the initial improvements. Such annexation shall be evidenced by recordation in the Nueces County Clerk's Office of an "Annexation Certificate" executed by the Declarant and duly acknowledged and notarized.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Damages shall not be deemed adequate relief for any breach or violation of any provisions hereof. Any person or entity entitled to enforce any provision hereof shall be entitled to relief by way of injunction as well as any other available relief either at law or in equity. Any party to a proceeding who succeeds in enforcing a Restriction or enjoining the violation of a Restriction against an Owner shall be awarded a reasonable attorney's fee against such Owner.

Section 2. Right to Abate. Violation or breach of any Restriction herein contained shall give Declarant, or the Association, their respective legal representatives, heirs, successors and assigns, in addition to all other remedies, the right to enter upon the land upon or as to which such violation or breach exist and summarily to abate and remove, at the expense of the Owner thereof, any erection, thing or condition that may be or exist thereon contrary to the intent and meaning of the provisions hereof; and the said parties shall not thereby be deemed guilty of any manner of trespass for such entry, abatement or removal. Nothing herein contained shall be deemed to affect or limit the rights of the Owners of the building site within the Property to enforce these Restrictions by appropriate judicial proceeding.

Section 3. No Waiver. The failure of Declarant, the Association or the Owner of any building site included in the Property, their respective legal representatives, heirs, successors and assigns, to enforce any Restriction herein contained shall in no event be considered a waiver of the right to do so thereafter, as to the same violation or breach or as to such a violation or breach occurring prior or subsequent thereto.

Section 4. Severability. The determination by a court that any provision hereof is invalid for any reason shall not affect the validity of any other provision hereof.

Section 5. Authorization of Board. The Association shall be entitled to contract with any corporation, firm, person or other entity for the performance of the various duties imposed on the Association hereunder and the performance by any such entity shall be deemed the performance of the Association hereunder.

The Association's Board of Directors where specifically authorized herein to act, shall have the right to construe and interpret the provisions of this Declaration, and in the absence of an adjudication by a court of competent jurisdiction to the contrary, its construction or interpretation shall be final and binding as to all persons or property benefited or bound by the provisions hereof. Any conflict between any construction or interpretation of the Association's Board of Directors or any other person or entity entitled to enforce the provisions hereof shall be resolved in favor of the construction or interpretation of the Association's Board of Directors.

The Association's Board of Directors, to the extent specifically provided herein, may adopt and promulgate reasonable rules and regulations regarding the administration, interpretation and enforcement of the provisions of this Declaration. In so adopting and promulgating such rules and regulations, and in making any finding, determination, ruling or order or in carrying out any directive contained herein relating to the issuance of permits, authorizations, approvals, rules or regulations, the Association's Board of Directors shall take into consideration the best interests of the Owners and of the Property to the end that the Property shall be preserved and maintained as a high quality community.

In granting any permit, authorization, or approval, as herein provided, the Association's Board of Directors may impose any conditions or limitations thereon as it shall deem advisable under the circumstances in each case in light of the considerations set forth in the immediately preceding paragraph hereof.

The Association shall indemnify and hold harmless its Board of Directors, Officers, Employees and/or Agents from any and all liability in connection with such capacities, so long as the causes of liability were not in bad faith involving gross negligence.

Section 6. Observance Hereof. Each grantee accepting a deed, lease or other instrument conveying any interest in any building site, whether or not the same incorporates or refers to these Restrictions, covenants for himself, his heirs, successors and assigns to observe, perform and be bound by these Restrictions and to incorporate the same by reference in any deed or other conveyance of all or any portion of his interest in any real property subject hereto.

Section 7. Duration. The covenants and restrictions of this Declaration shall run with and bind the Property, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years.

Section 8. FHA/VA/FNMA/FHLMC Approval. As long as there is a Class B membership and there is a valid VA, FHA, FNMA or FHLMC letter of acceptance (or equivalent) on the subject property, the following actions will require the prior approval of said entity: Annexation of additional Properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions (except for ministerial amendments specially provided herein).

Section 9. Regulatory Requirements. Declarant hereby reserves the right, without the necessity of joining any Owner or Mortgagee, to further amend this Declaration to meet any requirement of the Federal Housing Administration, Veteran's Administration, Federal Home Loan Mortgage Corporation, or Federal National Mortgage Association so long as Declarant is the Owner of any Class B Membership as set forth herein, and each Owner, by accepting conveyance of any building site subject to this Declaration does hereby grant to Declarant a specific irrevocable power of attorney, which power is coupled with an interest, to execute and file for record any such amendments to this Declaration as may hereafter be necessary to meet the requirements of the said Federal Housing Administration, Veteran's Administration, Federal Home Loan Mortgage Corporation or Federal National Mortgage Association.

ARTICLE XII

LIENHOLDER

The owners and holders of the only liens covering the Property, have executed this Declaration to evidence their joinder in, consent to, and ratification of the imposition of the foregoing covenants, conditions and restrictions. However, the joinder of the lienholder is not to be construed as a representation by the lienholder as to the adequacy of this Declaration or the Property in general, but instead their joinder is merely to evidence their consent to this Declaration. No violation of any of these Restrictions shall defeat or render invalid the lien of any mortgage made in good faith and for value upon any portion of the Property; provided however, that any mortgagee in actual possession, or any purchaser at any mortgagee's foreclosure sale, shall be bound by and subject to these Restrictions as fully as any Owner of any portion of the Property. Further, in the event the lienholder acquires title to all or any part of the Property by foreclosure or otherwise, lienholder shall be considered a Class B member for the purposes of voting rights only. However, by acquiring title lienholder does not assume any obligations or duties required of Declarant by this Declaration, or the Articles of Incorporation and/or By-Laws of the Association.

ARTICLE XIII

AMENDMENT

Section 1. Material Amendments. The consent of the Owners of Homes to which at least sixty-seven percent (67%) of the votes in the Association are allocated and the approval of eligible mortgage holders (those holders of a first mortgage on a Home which have requested the Association to notify them of any proposed action that requires the consent of a specified percentage of eligible mortgage holders) holding Mortgages on Homes which have at least fifty-one (51%) of the votes of Homes subject to Mortgages held by eligible holders shall be required to add or amend any material provisions to this Declaration or to the Bylaws including those provisions which provide for, govern or regulate any of the following:

- (a) Voting;
- (b) Assessments, assessment liens or subordinations of such liens;
- (c) Reserves for maintenance, repair and replacement of the Common Area and Limited Common Area;
- (d) Insurance or fidelity bonds;
- (e) Rights to use of the Common Area and Limited Common Area;
- (f) Responsibility for maintenance and repair of the Homes, Common Area, and Limited Common Area;
- (g) Expansion of the Project, except as provided for herein;
- (h) Boundaries of any Home, except as provided herein;
- (i) Convertibility of Homes into Common Area or Limited Common Area, or Common Area or Limited Common Area into Homes, except as provided herein;
- (j) Leasing of Homes;
- (k) Imposition of any right of first refusal or similar restriction on the right of a Home Owner to sell, transfer, or otherwise convey his Home;
- (l) A decision by the Association to establish self-management when professional management had been required previously by an eligible mortgage holder;
- (m) Restoration or repair of the Project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents;
- (n) Any action to terminate the legal status of the Project, in a manner other than that specified in the documents, after substantial destruction or condemnation occurs;
- (o) Any provisions which are for the express benefit of First Mortgage holders, insurers, or guarantors of First Mortgages;
- (p) Partition or subdivision of any Home;
- (q) By act or omission, seek to abandon, partition, subdivide, encumber, or transfer the Common Area or Limited Common Area, other than the granting of easements for public utilities or other public uses; or

Section 2. Termination of Townhome Status. The consent of all Owners of Homes and the approval of eligible mortgage holders representing at least sixty-seven percent (67%) of the votes of the mortgaged building sites shall be required to terminate or abandon the Townhome status of the Project for reasons other than substantial destruction or condemnation of the Property.

Section 3. Time Limit for Mortgage Disapproval. Any eligible mortgage holder which receives a written request to approve additions or amendments to the Declaration or Bylaws, and which does not deliver or post to the requesting party a response within thirty (30) days after the written proposal was mailed via certified mail-return receipt requested, shall be deemed to have approved such request.

Section 4. General Amendments. Except as provided in Sections 1 and 2 of this Article, and in Article XI, Sections 8 and 9, this Declaration may be amended by an instrument signed by building site Owners representing sixty-seven percent (67%) of the votes of the Association. Any amendment must be recorded. The Declarant shall have and reserves the right at any time, and from time to time, without the joinder or consent of any other party, to amend this Declaration by an instrument in writing, duly signed, acknowledged, and filed for record for the purpose of correcting any typographical or grammatical error, ambiguity, or inconsistency appearing herein, provided that any such amendment shall be consistent with and in conformity with the general plan of development as evidenced by this Declaration and shall not impair or affect the vested Property or other rights of any Owner or his mortgagee.

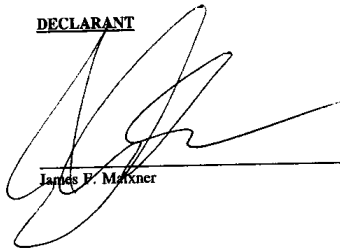
DATED this 26th day of April, 1995.

LIENHOLDER

FIRST COMMERCE BANK

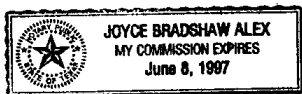
By: 
Miles Graham, Branch Manager

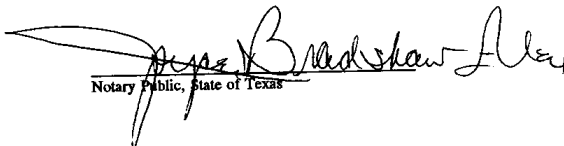
DECLARANT


James F. Maixner

STATE OF TEXAS
COUNTY OF NUECES

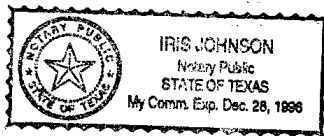
This instrument was acknowledged before me on this 26th day of April, 1995, by JAMES F. MAIXNER.

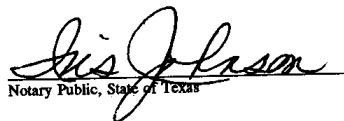



Notary Public, State of Texas

STATE OF TEXAS
COUNTY OF NUECES

This instrument was acknowledged before me on this 27th day of April, 1995, by MILES GRAHAM, Branch Manager of FIRST COMMERCE BANK, a banking institution; on behalf of said bank.




Notary Public, State of Texas

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San Jacinto Title

Doc# 959458
Pages: 17
Date : 04-28-1995
Time : 11:35:30 A.M.
Filed & Recorded in
Official Records
of NUECES County, TX.
ERNEST M. BRIONES
COUNTY CLERK
Rec. \$ 39.00

STATE OF TEXAS
COUNTY OF NUECES
I hereby certify that this instrument was FILED in File Number
Sequence on the date and at the time stamped herein by me, and
was duly RECORDED, in the Official Public Records of
Nueces County, Texas on

APR 28 1995




COUNTY CLERK
NUECES COUNTY, TEXAS

Any provision herein which restricts the Sale, Rental or use
of the described REAL PROPERTY because of Race, Color,
Religion, Sex, Handicap, Familial Status or National Origin, is
invalid and unenforceable under FEDERAL LAW, 3/12/89.

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of Race, Color, Religion, Sex, Handicap, Familial Status or National Origin, is invalid and unenforceable under FEDERAL LAW, 3/12/89.

Doc# 960890
Pages: 18
Date : 05-09-1995
Time : 10:23:23 A.M.
Filed & Recorded in
Official Records
of NUECES County, TX.
ERNEST M. BRIONES
COUNTY CLERK
Rec. \$ 41.00

STATE OF TEXAS
COUNTY OF NUECES

I hereby certify that this instrument was FILED in File Number
Sequence on the date and at the time stamped herein by me, and
was duly RECORDED, in the Official Public Records of
Nueces County, Texas on

MAY 9 1995



Ernest M. Briones
COUNTY CLERK
NUECES COUNTY, TEXAS