

8108814

ENABLING DECLARATION
ESTABLISHING A PLAN FOR
✓
CONDOMINIUM OWNERSHIP

001-12-1224

WHEREAS, TAMPICO COVE, LTD., (hereinafter referred to as "Grantor") owns certain real property herein described; and

WHEREAS, said Grantor has improved said property by constructing thereon a 92 unit multifamily project known as Tampico Cove Condominiums, said project consisting of 11 separate two-story buildings housing the apartment units, together with a community building, pool and other improvements accessory thereto, having been constructed in accordance with plans and specifications prepared by William L. Brown, and located in the City of Galveston, State of Texas;

AND WHEREAS, Grantor desires to establish a condominium regime under the Condominium Act of the State of Texas (Article 1301a of the Texas Revised Civil Statutes);

WHEREAS, Grantor hereby desires to establish a plan for the individual ownership in fee simple consisting of the area of space contained in each of the apartment units in the said project and the co-ownership by the individual and separate ownership thereof, as tenants in common, of all of the remaining property which is hereinafter defined and referred to as the Common Elements;

NOW, THEREFORE, said Grantor, the fee owner of the following described real property, to-wit:

4.2011 acres of land out of Lots 91 and 100 in the Trimble and Lindsey Survey, Section 1, Galveston Island, Galveston County, Texas, and being the same land described as 4.201 acres in deed from Central City Realty Company to Central City Development Company recorded in Vol. 2333, Pg. 744, Galveston County Deed Records, said 4.2011 acres of land being described as follows:

BEGINNING at a 1 1/2" iron pipe in the east right-of-way line of 69th Street, 70 feet wide, from which its intersection with the northerly right-of-way line of Seawall Blvd., 250 feet wide, bears South 25° 00' East 1342.71 feet;

THENCE North 25° 00' West along a line parallel with and located 20 feet east, measured at right angles, from the west line of Lot 100, and with said east right-of-way line 350.00 feet to a 1" iron pipe for corner;

THENCE North 65° 00' East 461.64 feet to a 1 1/2" iron pipe for corner;

THENCE in a southerly direction with a curve to the left having a radius of 200.00 feet, a central angle of 65° 00' 42"

and an arc length of 227.40 feet, (the chord of said arc bears South 31° 06' 34" East 215.35 feet,) to a 1 1/4" iron pipe at its point of tangency;

THENCE South 63° 40' 55" East 242.06 feet to a 1 1/4" iron pipe at a point of curve;

THENCE in a southerly direction with said curve to the right having a radius of 40.00 feet, a central angle of 91° 12' 23" and an arc length of 63.68 feet to a 1 1/4" iron pipe at its point of tangency;

THENCE South 27° 31' 38" West 20.14 feet to a 1 1/4" iron pipe for corner;

THENCE North 53° 00' West 109.96 feet to a 5/8" iron rod for corner;

THENCE South 65° 00' West 273.29 feet to a 1 1/4" iron pipe for corner;

THENCE West 59.15 feet to a 1 1/4" iron pipe for corner;

THENCE South 65° 00' West 234.45 feet to the PLACE OF BEGINNING.

in accordance with Article 1301a of the Texas Revised Civil Statutes, commonly known as the Texas Condominium Act, hereby makes the following declaration as to divisions, covenants, restrictions, limitations, conditions and uses to which the above described real property and improvements thereon, consisting of a 92 unit multifamily structures and appurtenances, may be put, hereby specifying that said declaration shall constitute covenants to run with the land and shall be binding on said Grantor, its successors and assigns, and all subsequent owners of all or any part of said real property and improvements, together with their grantees, successors, heirs, executors, administrators, devisees or assigns:

A. Said Grantor, in order to establish a plan of condominium ownership for the above-described property and improvements, hereby covenants and agrees that it hereby divides said real property into the following separate freehold estates:

1. The 92 separately designed and legally described freehold estates consisting of the spaces or areas, being the area or space contained in the perimeter walls of each of the 92 apartment units in said multifamily structures constructed on said property, said spaces being defined, and referred to herein, as "apartment spaces."
2. A freehold estate consisting of the remaining portion of the real property is described and referred to herein as the "common areas and facilities," which definition includes the multifamily structures and the property upon which they are located, and specifically includes, but is not limited to, the land, roof, main walls, slabs, patios, balconies, entries, staircases, lobbies,

U01-12-1226

halls, parking spaces, storage spaces, community and commercial facilities, swimming pool, pumps, water tank, trees, pavement, pipes, wires, conduits, air conditioners and ducts, or other public utility lines. "Common areas and facilities" and "common elements" are used interchangeably herein.

- B. For the purpose of this declaration, the ownership of each "apartment space" shall include the respective undivided interest in the common areas and facilities specified and established in paragraph "E" hereof, below, and "apartment space" together with undivided interest as defined and hereinafter referred to as "family unit."
- C. A portion of the "common areas and facilities," consisting of patios, balconies, storage spaces and certain parking areas, is hereby set aside and allocated for the restricted use of the respective "apartment spaces," as shown and designated by unit number on surveys attached hereto, marked Exhibit "A" and Exhibit "B", (and referred to thereon as "restricted common elements") and said areas shall be known as "restricted common areas and facilities", and the use of same by the designated unit shall be to the exclusion of all other units.
- D. There is attached to this Declaration and made a part hereof as Exhibit "A" hereto, a survey plat which depicts said land as above described and the location of each of the eleven (11) multiple unit apartment buildings located thereon, denoted as Buildings A, B, C, D, E, F, G, H, J, K, and L. The ninety-two individual apartment spaces hereby established and which shall be individually conveyed and owned are described in Exhibit "B" consisting of six (6) pages, which is attached hereto and made a part hereof.
- E. The individual interest in the "common areas and facilities" hereby established and which shall be conveyed with each respective "apartment space" is as shown on schedule attached hereto, marked Exhibit "E".
- F. The proportionate shares of the separate owners of the respective "family units" in the profits and common expenses in the "common areas and facilities" as well as their proportionate representation for voting purposes in the Association of Owners, are in amounts identical to those delineated in paragraph "E", above.
- G. An Owner shall maintain and keep in a good state of repair the interior of his own Residence Unit, including the fixtures

thereof. All fixtures and equipment installed within the Residence Units, commencing at a point where the utility lines, pipes, wires, conduits or systems (which for brevity are hereafter referred to as "utilities") enter the Residence Unit shall be maintained and kept in repair by the Owner thereof.

H. Said Grantor, its successors and assigns, by this declaration, and all future owners of the "family units," by their acceptance of their deeds, covenant and agree as follows:

1. That the "common areas and facilities" shall remain undivided; and no owner shall bring any action for partition, it being agreed that this restriction is necessary in order to preserve the rights of the owners with respect to the operation and management of the condominium.
2. That the "apartment spaces" shall be occupied and used by the respective owners only as a private dwelling for the owner, his family, tenants and social guests and for no other purpose.
3. The owner of the respective "apartment spaces" shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding his respective "apartment space," nor shall said owner be deemed to own pipes, wires, conduits or other public utility lines running through said respective "apartment spaces" which are utilized for, or serve more than one apartment space," except as tenants in common with the other "family unit" owners as heretofore provided in paragraph "E", above. Said owner, however, shall be deemed to own the walls and partitions which are contained in said owner's respective "apartment space," and also shall be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floors and ceilings, including plaster, paint, wallpaper, etc.
4. The owners of the respective "apartment spaces" agree that if any portion of the "common areas and facilities" encroaches upon the "apartment spaces," a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. In the event any multifamily structures are partially or totally destroyed, and then rebuilt, the owners of "apartment spaces" agree that minor encroachment of parts of the "common areas and facilities" due to construction shall be permitted and that valid easement for said encroachment and the maintenance thereof shall exist.
5. That an owner of a "family unit" shall automatically, upon becoming the owner of a "family unit or units", be a member of Tampico Cove Condominium Owners Association, Inc., hereinafter referred to as the "association," and shall remain a member of said Association until such time as his ownership ceases for any reason, at which time his membership in said Association shall automatically cease.
6. That the owners of "family units" covenant and agree that the administration of the condominium shall be in accordance with the provisions of this Declaration, the By-Laws of the Association which are made a part hereof and attached as Exhibit "C" and shall be subject to the terms of a Regulatory Agreement executed

by the Association and the Commissioner of the Federal Housing Administration, which Agreement is made a part hereof and is attached as Exhibit "D".

7. That each owner, tenant or occupant of a "family unit" shall comply with the provisions of this Declaration, the By-Laws, decisions and resolutions of the Association or its representative, and the Regulatory Agreement, as lawfully amended from time to time, and failure to comply with any such provisions, decisions, or resolutions, shall be grounds for an action to recover sums due, for damages, or for injunctive relief.
 8. That this Declaration shall not be revoked or any of the provisions herein amended unless all of the owners and the mortgagees of the mortgages covering the "family units" unanimously agree to such revocation or amendment by duly recorded instruments.
 9. That no owner of a "family unit" may exempt himself from liability for his contribution towards the common expenses by waiver of the use or enjoyment of any of the common areas and facilities or by the abandonment of his "family unit."
- I. All sums assessed by the Association but unpaid for the share of the common expenses chargeable to any family unit shall constitute a lien on such family unit prior to all other liens except only (1) tax liens on the family unit in favor of any assessing unit and special district, and (2) all sums unpaid on the first mortgage of record. Such lien may be foreclosed by suit by the manager or Board of Directors, acting on behalf of the owners of the family units, in like manner as a mortgage of real property. In any such foreclosure the family unit owner shall be required to pay a reasonable rental for the family unit, if so provided in the by-laws, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The manager or Board of Directors, acting on behalf of the owners of the family units, shall have power, unless prohibited herein, to bid in the unit at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same.
- J. Where the mortgagee of a first mortgage of record or other purchaser of a family unit obtains title to the unit as a result of foreclosure of the first mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of the common expenses or assessments by the Association chargeable

- to such family unit which became due prior to the acquisition of title to such family unit by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the family units including such acquirer, his successors and assigns.
- K. The respective "family units" shall not be rented by the owners thereof for transient or hotel purposes, which shall be defined as (a) rental for any period less than thirty (30) days; or (b) any rental if the occupants of the "family unit" are provided customary hotel services, such as room service for food and beverage, maid service, furnishing laundry and linen, and bellboy service. Other than the foregoing obligations, the owners of the respective "family units" shall have the absolute right to lease same provided that said lease is made subject to the covenants and restrictions contained in this Declaration and further subject to the By-Laws and Regulatory Agreement attached hereto.
- L. In the event the property subject to this Enabling Declaration is totally or substantially damaged or destroyed, the repair, reconstruction, or disposition of the property shall be as provided in Article 1301a, Texas Revised Civil Statutes.
- M. In a voluntary conveyance of a family unit the grantee of the unit shall be jointly and severally liable with the grantor for all unpaid assessments by the Association against the latter for his share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefore. However, any such grantee shall be entitled to a statement from the manager or Board of Directors of the Association, as the case may be, setting forth the amount of the unpaid assessments against the grantor due the Association and such grantee shall not be liable for, nor shall the family unit conveyed be subject to a lien for, any unpaid assessments made by the Association against the grantor in excess of the amount therein set forth.
- N. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established in Article

001-12-1230

1301a of the Texas Revised Civil Statutes, this Declaration or in the By-Laws, shall be deemed to be binding on all owners of family units, their successors and assigns.

- O. That the Board of Directors of the Association of Owners, or the Management Agent, or Manager shall obtain and continue in effect blanket property insurance in form and amounts satisfactory to mortgagees holding first mortgages covering family units but without prejudice to the right of the owner of a family unit to obtain individual family unit insurance.
- P. That insurance premiums for any blanket insurance coverage shall be a common expense to be paid by monthly assessments levied by the Association of Owners; and that such payments shall be held in a separate escrow account of the Association of Owners and used solely for the payment of the blanket property insurance premiums as such premiums become due.
- Q. That so long as said Grantor, its successors and Assigns, owns one or more of the family units established and described herein, said Grantor, its successors and assigns shall be subject to the provisions of this Declaration and of Exhibits "A", "B", "C", "D", and "E", attached hereto; and said Grantor covenants to take no action which would adversely affect the rights of the Association with respect to assurances against latent defects in the property or other right assigned to the Association, the members of such association and their successors in interest, as their interests may appear, by reason of the establishment of the condominium.
- R. The terms "Declaration" and "Condominium Ownership" as used herein shall mean and include the terms "Master Deed" and "Apartment Ownership" respectively.

IN WITNESS WHEREOF, Declarant has executed this instrument this

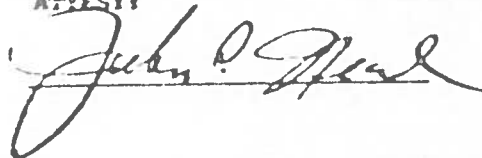
25th day of March, 1981.

TAMPICO COVE, LTD.,

By: TAMPICO COVE, INC., General Partner

By: 
William L. Brown, President

ATTEST:



W01-12-1231

THE STATE OF TEXAS I

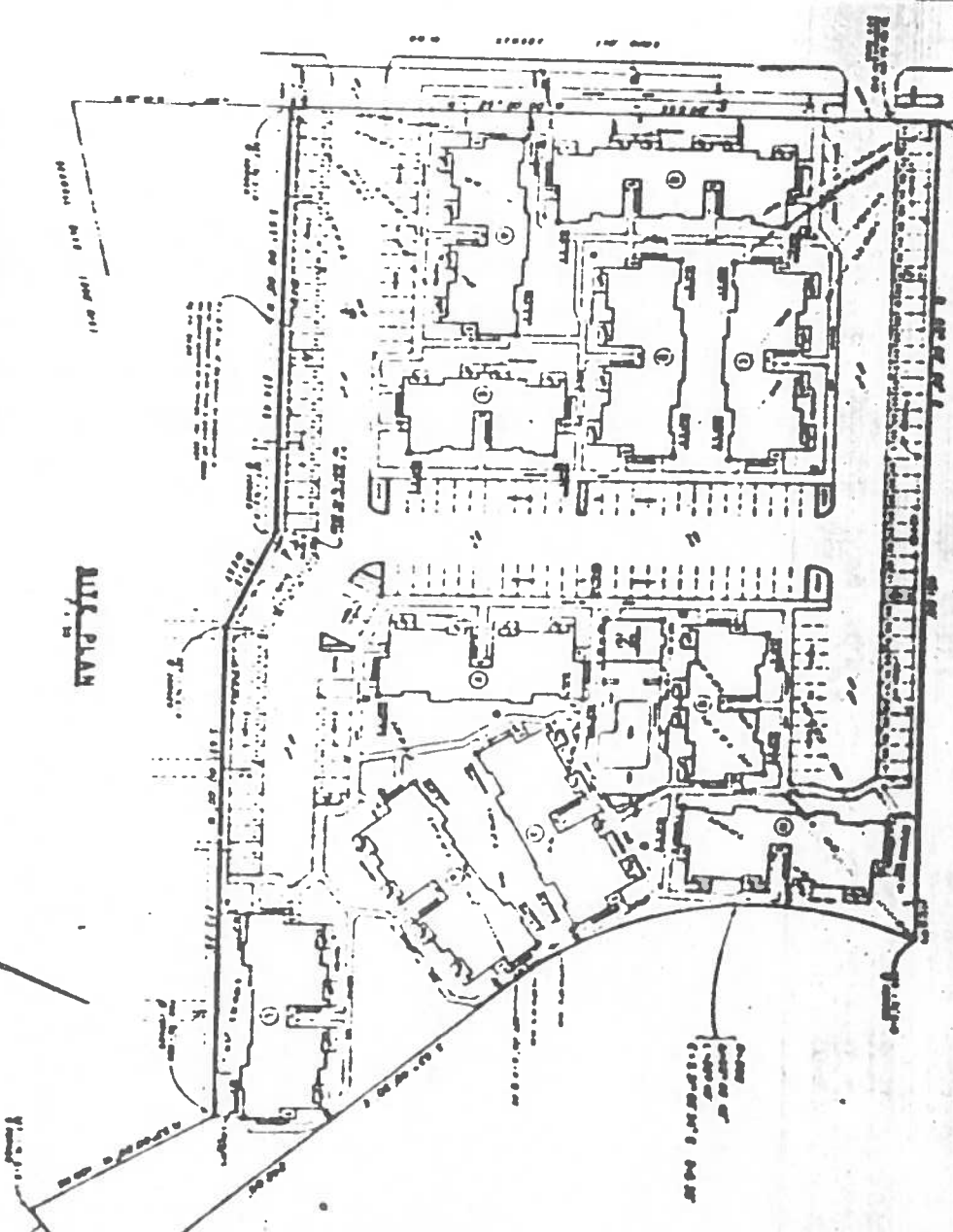
COUNTY OF HARRIS I

Before me, the undersigned authority, on this day personally appeared WILLIAM L. BROWN, President of TAMPICO COVE, INC., the General Partner of TAMPICO COVE, LTD., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated, as an act and deed of said corporation.

Given under my hand and seal of office, this 25th day of March, 1981.

Teresa L. Stafford
Notary Public in and for Harris
County, Texas

TERESA L. STAFFORD
Notary Public in and for Harris County, Texas
My Commission Expires October 12, 1986



FLOOR PLAN

THIS IS A COPY OF THE ORIGINAL DRAWING AND NOT A REPRODUCTION. THE ORIGINAL DRAWING IS THE PROPERTY OF THE ARCHITECT AND IS TO BE KEPT IN HIS OFFICE. THIS COPY IS TO BE KEPT IN THE OFFICE OF THE ENGINEER AND IS TO BE DESTROYED WITHIN 10 YEARS OF THE DATE OF THE ORIGINAL DRAWING.

Architect: [Signature]

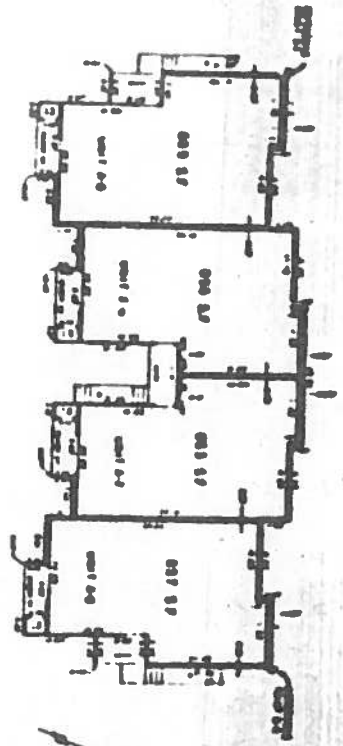


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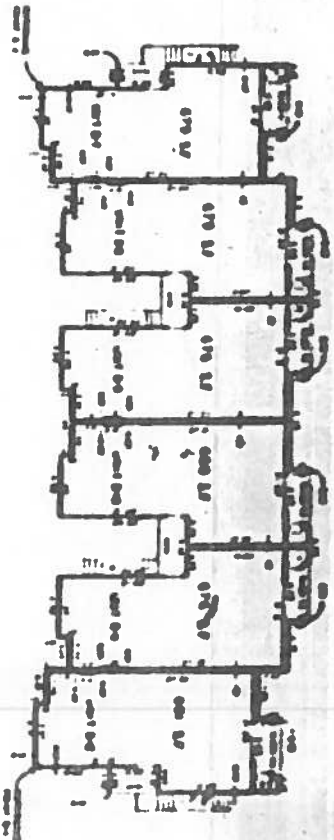
Notes: [Faint text]

TAMPA COVE CONDOMINIUM
 A 4th FLOOR UNIT OF 1978
 THE TAMPACORP AND LINDSEY BUNYER
 SECTION ONE, SAFFORD ISLAND
 SAFFORD COUNTY, FLORIDA

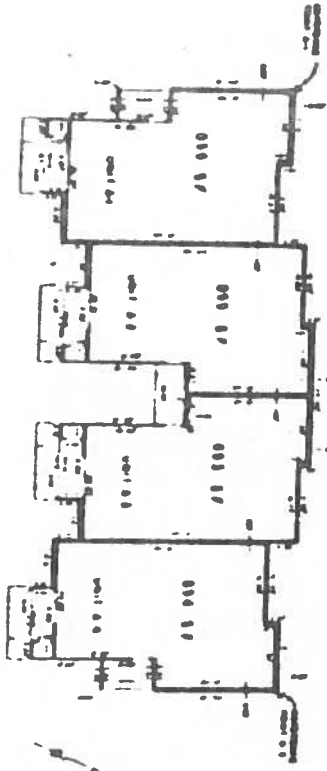
NOTES:
 1. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 2. ALL WALLS ARE CONCRETE UNLESS OTHERWISE NOTED.
 3. ALL FLOORS ARE CONCRETE UNLESS OTHERWISE NOTED.
 4. ALL CEILING ARE CONCRETE UNLESS OTHERWISE NOTED.
 5. ALL DOORS ARE TO BE SWUNG AS SHOWN.
 6. ALL WINDOWS ARE TO BE DOUBLE HUNG UNLESS OTHERWISE NOTED.
 7. ALL FINISHES ARE TO BE AS SHOWN ON THE FINISH SCHEDULE.
 8. ALL UTILITIES ARE TO BE AS SHOWN ON THE UTILITIES PLAN.
 9. ALL MECHANICAL SYSTEMS ARE TO BE AS SHOWN ON THE MECHANICAL PLAN.
 10. ALL ELECTRICAL SYSTEMS ARE TO BE AS SHOWN ON THE ELECTRICAL PLAN.



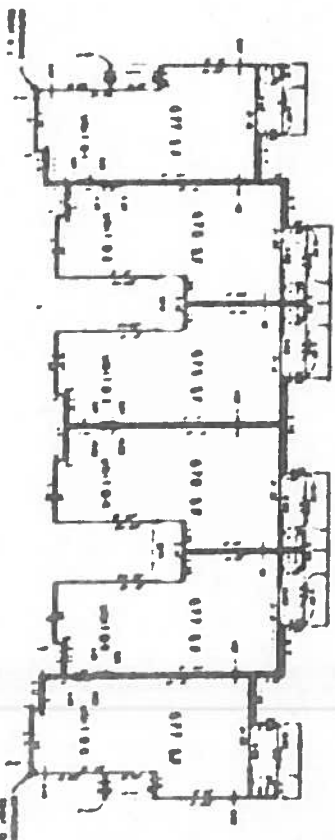
PLAN OF 1st FLOOR
BUILDING A



PLAN OF 1st FLOOR
BUILDING B



PLAN OF 2nd FLOOR
BUILDING A

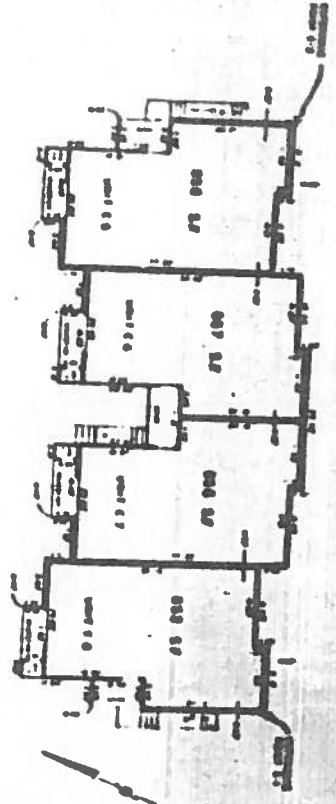


PLAN OF 2nd FLOOR
BUILDING B

TAMMOCO COVE
CONDOMINIUM
3000 5th STREET
MARIETTA, MISSISSIPPI

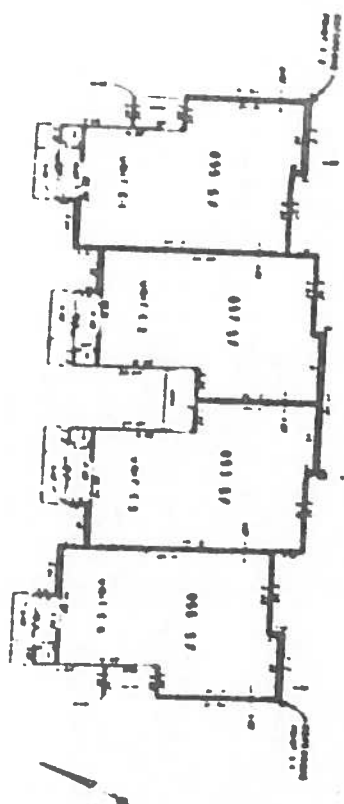
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001-12-1234



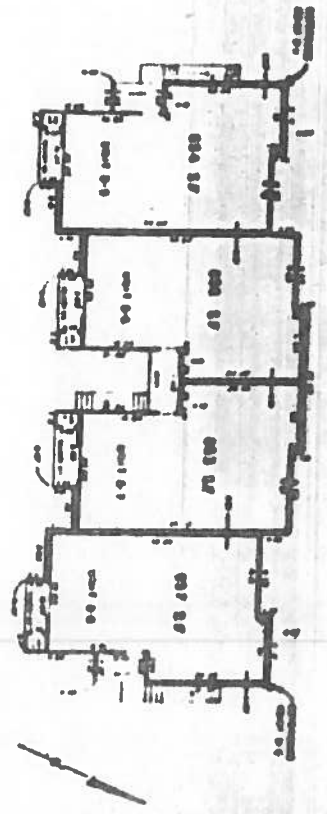
PLAN OF 1st FLOOR
BUILDING C

ALL ROOMS, BATHS, AND KITCHENS SHALL BE FINISHED TO THE SATISFACTION OF THE BOARD OF DIRECTORS.



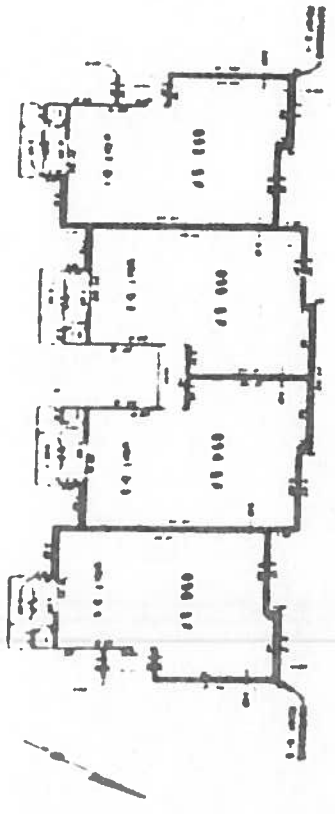
PLAN OF 1st FLOOR
BUILDING D

TAMINGO COVE
CONDOMINIUM
1000 10th STREET
LAUREL, MD 20630



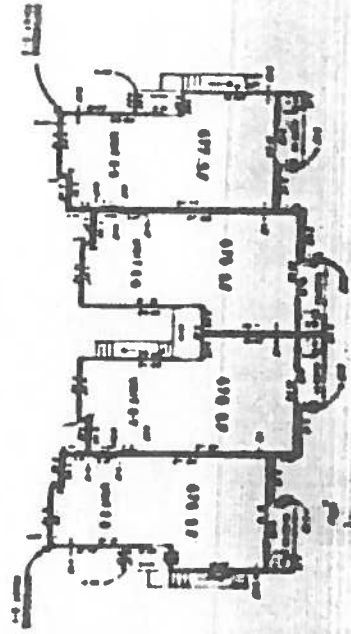
PLAN OF 1st FLOOR
BUILDING E

ALL ROOMS, BATHS, AND KITCHENS SHALL BE FINISHED TO THE SATISFACTION OF THE BOARD OF DIRECTORS.



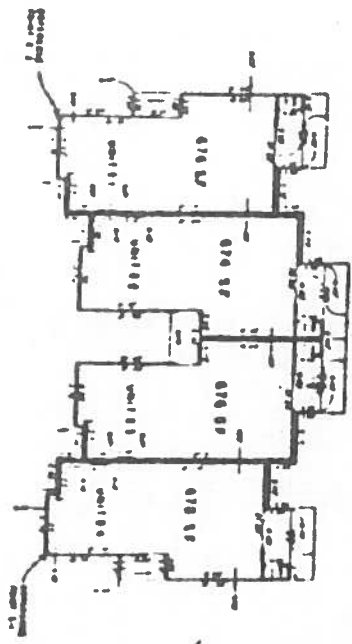
PLAN OF 1st FLOOR
BUILDING F

1000 10th STREET
LAUREL, MD 20630

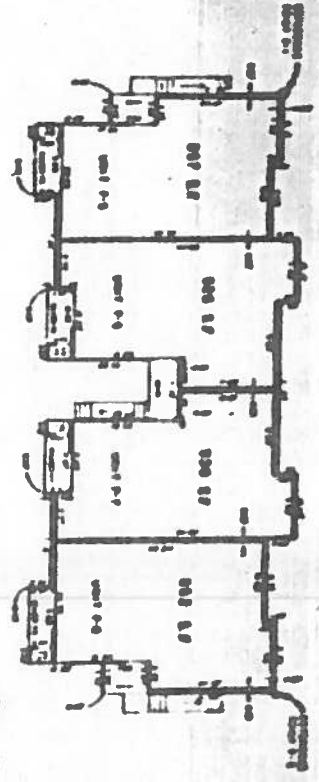


PLAN OF THE 6TH FLOOR BUILDING 6

ALL ROOMS, APARTMENTS AND OFFICES SHOWN ARE TO BE CONSIDERED AS "RESIDENTIAL" UNLESS OTHERWISE INDICATED BY THE PLAN INDICATIONS.

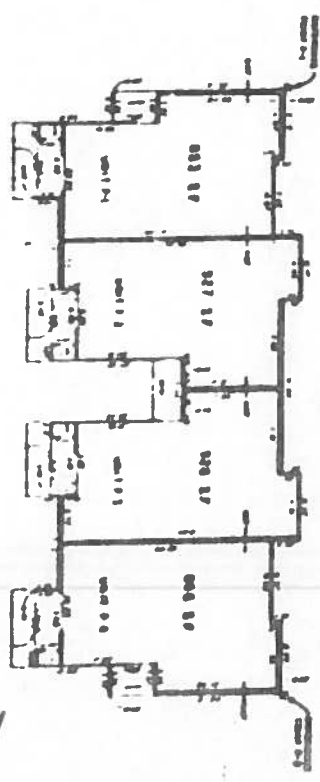


PLAN OF THE 8TH FLOOR BUILDING 8



PLAN OF THE 7TH FLOOR BUILDING 7

ALL ROOMS, APARTMENTS AND OFFICES SHOWN ARE TO BE CONSIDERED AS "RESIDENTIAL" UNLESS OTHERWISE INDICATED BY THE PLAN INDICATIONS.

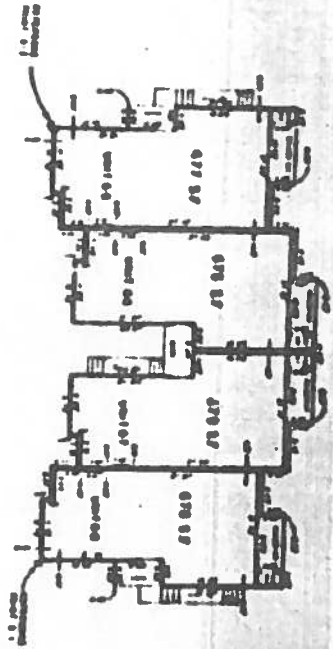


PLAN OF THE 9TH FLOOR BUILDING 9

TALPACD CONVEYANCE CONDOMINIUM MAP AND INSTRUMENT RECORDING: 1744

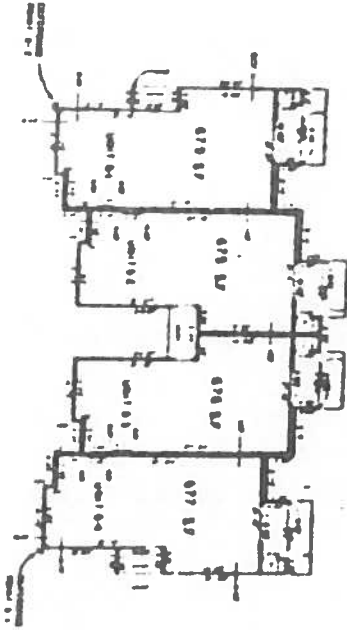
PLANNED BY: [illegible]
DATE: [illegible]

001-12-1236

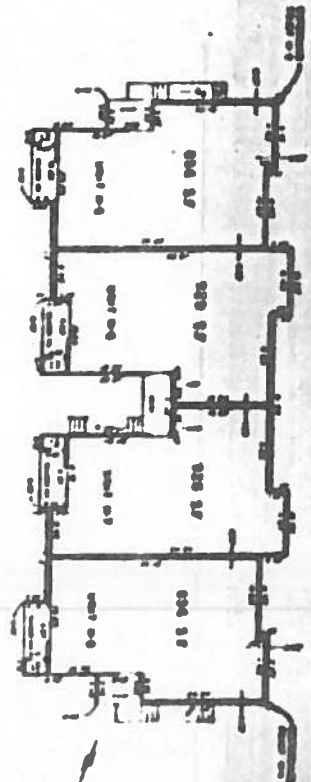


PLAN OF 1ST FLOOR
BUILDING B

SEE NOTES REGARDING THE EXISTING BUILDING AND THE EXISTING AND PROPOSED UTILITIES AND SERVICES.

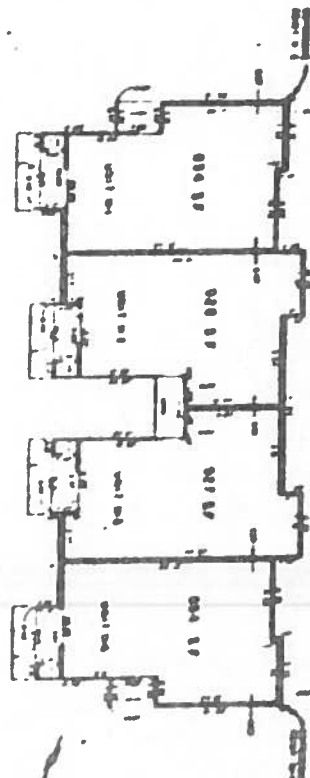


PLAN OF 2ND FLOOR
BUILDING B



PLAN OF 1ST FLOOR
BUILDING M

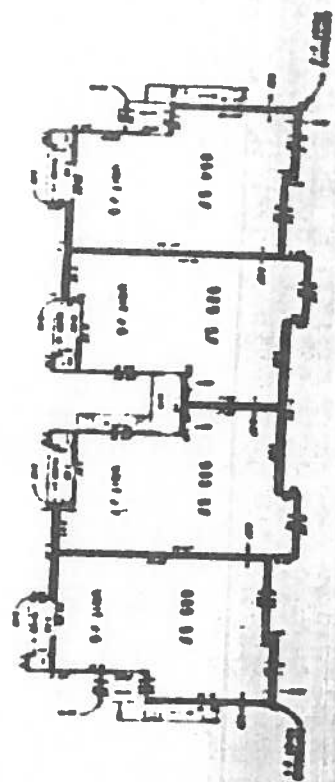
SEE NOTES REGARDING THE EXISTING BUILDING AND THE EXISTING AND PROPOSED UTILITIES AND SERVICES.



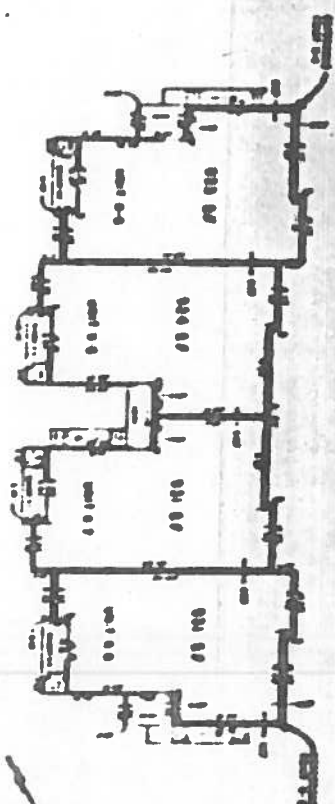
PLAN OF 2ND FLOOR
BUILDING M

TAMPED COVE
CONDOMINIUM
1000 10th STREET
CALIFORNIA, TEXAS

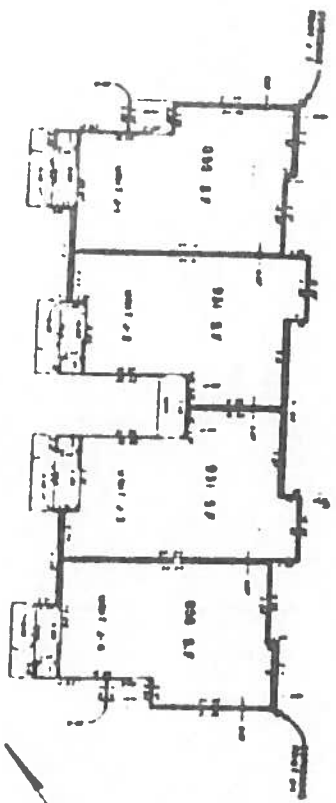
1000 10th STREET
CALIFORNIA, TEXAS



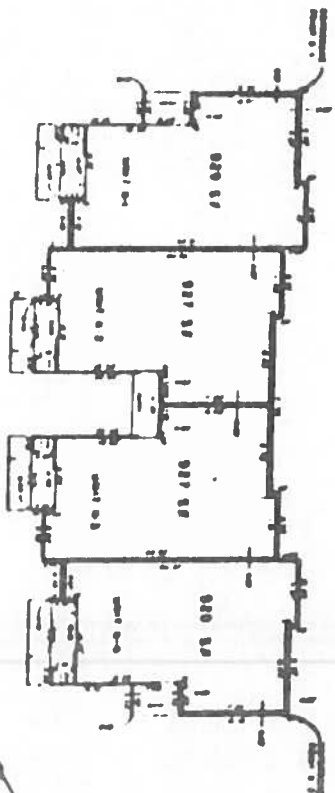
FLOOR PLAN OF BUILDING 1



FLOOR PLAN OF BUILDING 2



FLOOR PLAN OF BUILDING 3



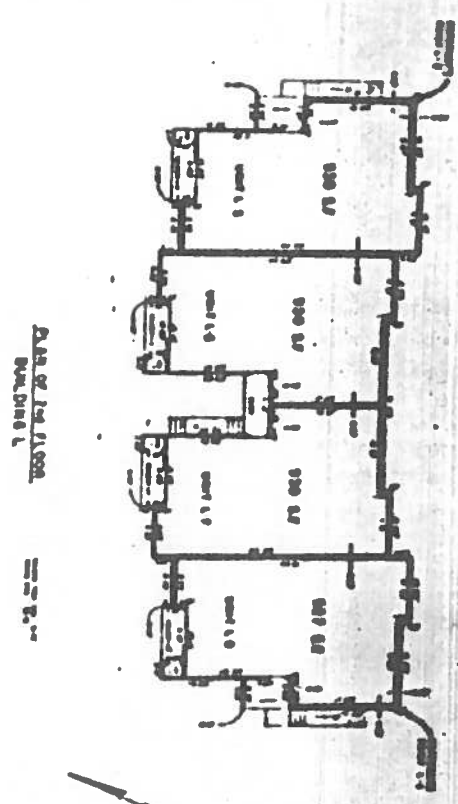
FLOOR PLAN OF BUILDING 4

TAMPA COVE
CONDOMINIUM

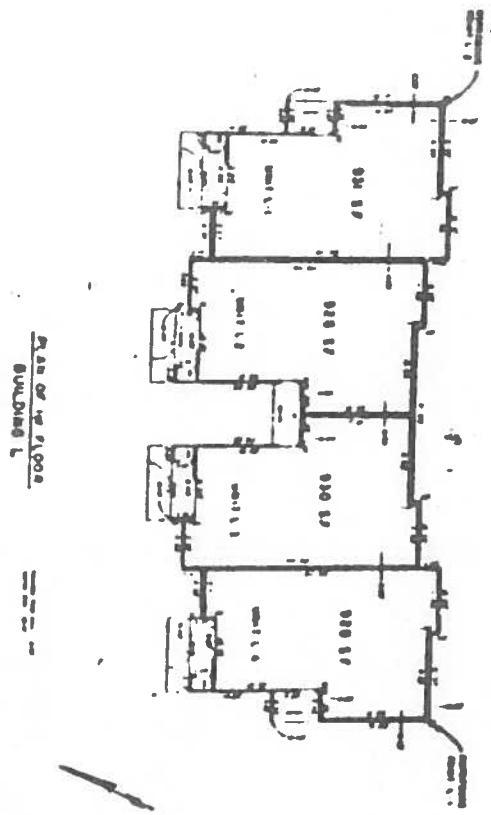
4000 GULF SHORES
AVENUE, TAMPA, FL 33608

DATE: 12/12/00

001-12-1238



SEE OTHER DRAWINGS FOR DETAILS OF THE BUILDING AND THE COMMON AREAS



TALPICO COVE
CONDOMINIUM
1000 BAY STREET
BALTIMORE, M.D.

EXHIBIT "C"

BY-LAWS

001-12-1239

OF

TAMPICO COVE CONDOMINIUMS OWNERS ASSOCIATION, INC.,

The name of the organization shall be Tampico Cove Condominiums Owners Association, Inc.

ARTICLE I

OBJECT

1. The purpose for which this non-profit corporation has been formed is to administer and govern the condominium project situated in the City of Galveston, County of Galveston, State of Texas, known as Tampico Cove Condominiums (hereinafter sometimes referred to as "project"), which property is situated upon a 4.201 acre tract of land out of Lots 91 and 100 in the Trisble and Lindsey Survey, Section 1, Galveston Island, Galveston County, Texas, as conveyed to Central City Development Company by Central City Realty Company in a deed recorded in Volume 2333, Page 744, et seq., of the Deed Records of Galveston County, Texas, and which property has been submitted to the provisions of the Condominium Act of the State of Texas.

2. All present or future owners, tenants, future tenants, or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these By-Laws and to the Regulatory Agreement, attached as Exhibit "D" to the recorded Plan of Apartment Ownership. The mere acquisition or rental of any of the condominium units (hereinafter referred to as "condominium unit(s)" or "unit(s)") of the project or the mere act of occupancy of any of said units will signify that these By-Laws are accepted, ratified and that the owner, tenant or occupant thereof will comply with the terms and provisions hereof.

ARTICLE II

MEMBERSHIP, VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

1. Membership. Any person on becoming an owner of a condominium unit shall automatically become a member of this Association and be subject to these By-Laws. Such membership shall terminate without any formal Association action whenever such person ceases to own a condominium unit, but such termination shall not relieve or release any such former owner from any liability or obligation incurred under or in any way connected with the Association during the period of such ownership and membership in this Association, or impair any rights or remedies which the Board of Directors of the Association or others may have against such former owner and member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto. No certificates of stock shall be issued by the Association, but the Board of Directors may, if it so elects, issue one membership card to the owner(s) of a condominium unit. Such membership card

shall be surrendered to the Secretary whenever ownership of the condominium unit designated thereon shall terminate.

2. Voting. Voting shall be based upon the undivided interest of each unit owner in the general common elements as specified in the Condominium Declaration for Tampico Cove Condominiums (hereinafter sometimes referred to as the "Declaration"). An owner of an undivided interest in and to a condominium unit shall be entitled to a vote equal to his ownership interest in such unit. Cumulative voting is prohibited.

3. Majority of Unit Owners. As used in these By-Laws, the term "majority of unit owners" shall mean the presence in person or proxy of the owners representing fifty-one percent (51%) or more of the total value of all of the interests in the undivided ownership of the general common elements, which are assigned to all of the condominium units pursuant to the Declaration.

4. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a "majority of unit owners" as defined in paragraph 3 of this Article shall constitute a quorum. Except as otherwise provided in the Declaration or these By-Laws, when a quorum of owners is present at any meeting, a majority vote of the owners present, either in person or by proxy, shall be sufficient to either defeat or approve any proposed action.

5. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

ARTICLE III

ADMINISTRATION

1. Association Responsibilities. The owners of the units will constitute the Association of Unit Owners, hereinafter referred to as "Association", who will have the responsibility of administering the project through a Board of Directors.

2. Place of Meetings. Meetings of the Association shall be held at the principal office of the project or such other suitable place convenient to the owners as may be designated by the Board of Directors.

3. Annual Meetings. The first annual meeting of the Association shall be held on May 1, 1981. Thereafter, the annual meetings of the Association shall be held on the 1st Monday in May each succeeding year. At such meetings there shall be elected by ballot of the owners of a Board of Directors in accordance with the requirements of Section 5 of Article IV of these By-Laws. The owners may also transact such other business of the Association as may properly come before them.

4. Special Meetings. It shall be the duty of the President to call a special meeting of the owners as directed by resolution of the Board of Directors or upon a petition signed by a majority of the owners and having been presented to the Secretary, or at the request of the Federal Housing Commissioner or his duly authorized representative. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting

EXHIBIT "C"
Continued

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except as stated in the notice unless by consent of four-fifths of the owners present, either in person or by proxy.

5. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each owner of record, at least 5 but not more than 10 days prior to such meeting. The mailing of a notice in the manner provided in this Section shall be considered notice served. Notices of all meetings shall be mailed to the Directors of the local insuring office of the Federal Housing Administration.

6. Adjourned Meeting. If any meeting of owners cannot be organized because of a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting from time to time, until a quorum is obtained.

7. Order of Business. The order of business at all meetings of the owners of units shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Federal Housing Administration representative, if present.
- (f) Report of committees.
- (g) Election of inspectors of election.
- (h) Election of directors.
- (i) Unfinished business.
- (j) New business.

ARTICLE IV

BOARD OF DIRECTORS

1. Number and Qualification. The affairs of this Association shall be governed by a Board of Directors composed of five (5) persons. The following persons shall act in such capacity and shall manage the affairs of the Association until the first annual meeting of the association, or until they resign and their successors are elected, whichever occurs first, to wit: William L. Brown, Robert H. Tennant, Charles Worthen, John C. Keal and Tom Casey.

2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of a first class residential condominium project. The Board of Directors may do all such acts and things as are not by law or these By-Laws, the Articles of Incorporation or by the Declaration directed to be exercised and done by the owners.

3. Other Powers and Duties. The Board of Directors shall be empowered and shall have the duties as follows:

- (a) Care, upkeep and surveillance of the project and the common areas and facilities and the restricted common areas and facilities.
- (b) To administer and enforce the covenants, conditions, restrictions, uses, limitations, obligations, and all other provisions as set forth in the Declaration.
- (c) To fix, determine, levy and collect the monthly prorated assessments to be paid by each of the owners towards the

gross expenses of the entire premises and by majority vote of the Board to adjust, decrease or increase the amount of the monthly assessments. To levy and collect special assessments whenever, in the opinion of the Board, it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies.

- (d) To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an owner as is provided in the Declaration and these By-Laws.
- (e) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by each of the owners, and to cause a complete audit of the books and accounts by a competent certified public accountant, once each year.
- (f) To prepare and deliver annually to each owner upon request, a statement showing all receipts, expenses or disbursements since the last such statement.
- (g) Designation and dismissal of the personnel necessary for the maintenance and operation of the project, the common areas and facilities and the restricted common areas and facilities.
- (h) To meet at least once each quarter.

4. Delegation of powers - Managing Agent. Notwithstanding anything considered herein to the contrary, the Board of Directors may delegate any of its powers, duties or functions to a Managing Agent provided that any such delegation shall be revocable upon notice by the Board of Directors. The members of the Board of Directors shall not be liable for any omission or improper exercise by the Managing Agent of any such duty, power or function so delegated by written instrument executed by a majority of the Board of Directors. The Managing Agent, if any, shall be employed by the Association at a compensation to be established by the Board based upon the services, duties, and functions to be performed by the Managing Agent.

5. Election and Term of Office. At the first annual meeting of the Association the term of office of two Directors shall be fixed for three (3) years. The term of office of two Directors shall be fixed at two (2) years, and the term of office of one Director shall be fixed at one (1) year. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and hold their first meeting. (If a larger Board of Directors is contemplated, the terms of office should be established in a similar manner so that they will expire in different years.)

6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

7. Removal of Directors. At any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by a majority of the owners and a successor may

EXHIBIT "C"
Continued

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then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

8. Organizational Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the whole Board shall be present.

9. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

10. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally, or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) Directors.

11. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

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

13. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

14. Compensation. No member of the Board of Directors shall receive any compensation for acting as such.

15. Actions Without a Meeting. Notwithstanding any other provision of these By-Laws, any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the members of the Board of Directors, as the case may be. Such consent shall have the same force and effect as a unanimous vote at a meeting.

OFFICERS

1. Designation. The officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. Any person may hold two or more offices except the President and any Vice-President shall not also be a Secretary or Assistant Secretary.
2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.
3. Removal of Officers. Upon any affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.
4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of president of an Association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.
5. Vice-President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to so do on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.
6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary.
7. Treasurer. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.
8. Additional Officers. Officers in addition to the President, Vice-President, Secretary and Treasurer may be appointed by the Board of Directors and shall hold the offices for such terms and shall have such authority and exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors not inconsistent with these By-Laws.

ARTICLE VI

INDEMNIFICATION OF OFFICERS AND MANAGERS

The Association shall indemnify every director or officer,

EXHIBIT "C"
Continued

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his heirs, executors and administrators, against all loss, costs and expense, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct, bad faith or reckless disregard of duties involved in the conduct of his office.

All liability, loss, damage, costs and expenses incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses; provided, however, that nothing in this Article VI contained shall be deemed to obligate the Association to indemnify any member or owner of a condominium unit, who is or has been a director or officer of the Association, with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration as a member of the Association or owner of a condominium unit covered thereby.

The rights of indemnification herein provided may be insured against by policies maintained by the Association; shall be severable, shall not affect any other rights to which any director or officer may now or hereafter be entitled, shall continue as to a person who has ceased to be such director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person. Nothing contained herein shall affect any rights to indemnification to which Association personnel other than members of the Board of Directors and officers may be entitled by contract or otherwise under law.

Expenses in connection with the preparation and presentation of a defense to any claim, action, suit or proceeding of the character described in this Article VI may be advanced by the Association prior to final disposition hereof upon receipt of an undertaking by or on behalf of the member of the Board of Directors or officer, secured by a surety bond or other suitable insurance issued by a company authorized to conduct such business in the State of Texas, to repay such amount if it is ultimately determined that he is not entitled to indemnification under this Article.

ARTICLE VII

OBLIGATIONS OF THE OWNERS

1. Assessments. All owners are obligated to pay monthly assessments imposed by the Association to meet all project communal expenses, which may include a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstruction work in case of hurricane, fire, earthquake or other hazard. The assessments shall be made pro rata according to the percentage of undivided ownership in the common area assigned to the unit owned, as stipulated in the Master Deed. Such assessments shall include monthly payments to a General Operating Reserve and a Reserve Fund for Replacements as required in the Regulatory Agreement attached as Exhibit "D" to the Plan of Apartment Ownership. Such assessment shall be paid monthly in advance.

2. Maintenance and Repair.

(a) Every owner must perform promptly at his own expense all maintenance and repair work within his own unit, which if omitted would affect the project in its entirety or in part belonging to other owners.

(b) All the repairs and maintenance of internal installations of the unit such as water, light, gas, power, sewage, telephone, air conditioners, sanitary installations, doors, windows, glass, electrical fixtures, floor and wall coverings and all other accessories, equipment and fixtures belonging to the unit area shall be at the owner's expense.

(c) An owner shall be obligated to reimburse the Association promptly upon receipt of its statement for any expenditures incurred by it in repairing or replacing any general or limited common element damaged by his negligence or by the negligence of his tenants or agents.

3. General.

(a) Each owner shall comply strictly with the provisions of the Declaration, the Articles of Incorporation and these By-Laws and amendments and supplements thereto.

4. Use of Family Units - Internal Changes.

(a) All units shall be utilized for residential purposes only.

(b) An owner shall not make structural modifications or alterations in his unit or installations located therein without previously notifying the Association in writing, through the Management Agent, if any, or through the President of the Board of Directors, if no management agent is employed. The Association shall have the obligation to answer within 45 days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

5. Use of Common Areas and Facilities and Restricted Common Areas and Facilities.

(a) An owner shall not place or cause to be placed in the lobbies, vestibules, stairways, elevators and other project areas and facilities of a similar nature both common and restricted, any furniture, packages or objects of any kind. Such areas shall be used for no other purpose than for normal transit through them.

6. Right of Entry.

(a) An owner shall grant the right of entry to the Board of Directors or to any other person authorized by the Board of Directors in case of any emergency originating in or threatening his unit, whether the owner is present at the time or not.

(b) An owner shall permit other owners, or their representatives, when so required, to enter his unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of an emergency, such right of entry shall be immediate.

7. Rules of Conduct.

(a) No resident of the project shall post any advertisements, or posters of any kind in or on the project except as authorized by the Association.

EXHIBIT "C"
Continued

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- (b) Residents shall exercise extreme care about making noises or the use of musical instruments, radios, television and amplifiers that may disturb other residents. Keeping domestic animals will abide by the Municipal Sanitary Regulations.
- (c) It is prohibited to hang garments, rugs, etc., from the windows or from any of the facades of the project.
- (d) It is prohibited to dust rugs, etc., from the windows, or to clean rugs, etc., by beating on the exterior part of the project.
- (e) It is prohibited to throw garbage or trash outside the disposal installations provided for such purposes in the service areas.
- (f) No owner, resident, or lessee shall install wiring for electrical or telephone installation, television antennae, machines or air conditioning units, etc., on the exterior of the project or that protrude through the walls or the roof of the project except as authorized by the Association.

ARTICLE VIII

AMENDMENTS TO BY-LAWS

1. By-Laws. These By-Laws may be amended by the Association at a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by owners representing at least 75% of the aggregate percentage of values of undivided ownership in the common elements assigned to all of the owners pursuant to the Declaration.

ARTICLE IX

MORTGAGES

1. Notice to Association. An owner who mortgages his unit shall notify the Association through the Managing Agent, if any, or the President of the Board of Directors, giving the name and address of his mortgagee. The Association shall maintain such information in a book entitled "Mortgagees of Condominium Units".
2. Notice of Unpaid Assessments. The Association shall at the request of a mortgagee of a unit report any unpaid assessments due from the owner of such unit.

ARTICLE X

COMPLIANCE

These By-Laws and the Condominium Declaration for Tampico Cove Condominiums are set forth to comply with requirements of Article 1301a of the Texas Revised Civil Statutes. If any of these By-Laws or the Declaration conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute will apply and govern.

ARTICLE XI

NON-PROFIT ASSOCIATION

This Association is not organized for profit. No member,

EXHIBIT "C"
Continued

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member of the Board of Directors or persons from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any member of the Board of Directors; provided, however, always (1) that reasonable compensation may be paid to any member while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and (2) that any member of the Board of Directors may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE XII

NOTICES

All notices to members of the Association shall be given by delivering the same to each owner in person or by depositing the notices in the U.S. mail, postage prepaid, addressed to each owner at the address last given by each owner to the Secretary of the Association. If an owner shall fail to give an address to the Secretary for mailing of such notices, all such notices shall be sent to the condominium unit of such owner and all owners shall be deemed to have been given notice of the meetings upon the proper mailing of the notices to such addresses irrespective of the actual receipt of the notices by the owners.

ARTICLE XIII

SEVERALTY

The invalidity of any provision or provisions of these By-Laws shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of these By-Laws, and in such event, all of the other provisions of these By-Laws shall continue in full force and effect as if such invalid provision had never been included herein.

EXHIBIT "C"

BY-LAWS

OF

TAMPICO COVE CONDOMINIUMS OWNERS ASSOCIATION, INC.,

The name of the organization shall be Tampico Cove Condominiums Owners Association, Inc.

ARTICLE I

OBJECT

1. The purpose for which this non-profit corporation has been formed is to administer and govern the condominium project situated in the City of Galveston, County of Galveston, State of Texas, known as Tampico Cove Condominiums (hereinafter sometimes referred to as "project"), which property is situated upon a 4.201 acre tract of land out of Lots 91 and 100 in the Trimble and Lindsey Survey, Section 1, Galveston Island, Galveston County, Texas, as conveyed to Central City Development Company by Central City Realty Company in a deed recorded in Volume 2333, Page 744, et seq., of the Deed Records of Galveston County, Texas, and which property has been submitted to the provisions of the Condominium Act of the State of Texas.

2. All present or future owners, tenants, future tenants, or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these By-Laws and to the Regulatory Agreement, attached as Exhibit "D" to the recorded Plan of Apartment Ownership. The mere acquisition or rental of any of the condominium units (hereinafter referred to as "condominium unit(s)" or "unit(s)") of the project or the mere act of occupancy of any of said units will signify that these By-Laws are accepted, ratified and that the owner, tenant or occupant thereof will comply with the terms and provisions hereof.

ARTICLE II

MEMBERSHIP, VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

1. Membership. Any person on becoming an owner of a condominium unit shall automatically become a member of this Association and be subject to these By-Laws. Such membership shall terminate without any formal Association action whenever such person ceases to own a condominium unit, but such termination shall not relieve or release any such former owner from any liability or obligation incurred under or in any way connected with the Association during the period of such ownership and membership in this Association, or impair any rights or remedies which the Board of Directors of the Association or others may have against such former owner and member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto. No certificates of stock shall be issued by the Association, but the Board of Directors may, if it so elects, issue one membership card to the owner(s) of a condominium unit. Such membership card

EXHIBIT "C"
Continued

shall be surrendered to the Secretary whenever ownership of the condominium unit designated thereon shall terminate.

2. Voting. Voting shall be based upon the undivided interest of each unit owner in the general common elements as specified in the Condominium Declaration for Tampico Cove Condominiums (hereinafter sometimes referred to as the "Declaration"). An owner of an undivided interest in and to a condominium unit shall be entitled to a vote equal to his ownership interest in such unit. Cumulative voting is prohibited.

3. Majority of Unit Owners. As used in these By-Laws, the term "majority of unit owners" shall mean the presence in person or proxy of the owners representing fifty-one percent (51%) or more of the total value of all of the interests in the undivided ownership of the general common elements, which are assigned to all of the condominium units pursuant to the Declaration.

4. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a "majority of unit owners" as defined in paragraph 3 of this Article shall constitute a quorum. Except as otherwise provided in the Declaration or these By-Laws, when a quorum of owners is present at any meeting, a majority vote of the owners present, either in person or by proxy, shall be sufficient to either defeat or approve any proposed action.

5. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

ARTICLE III

ADMINISTRATION

1. Association Responsibilities. The owners of the units will constitute the Association of Unit Owners, hereinafter referred to as "Association", who will have the responsibility of administering the project through a Board of Directors.

2. Place of Meetings. Meetings of the Association shall be held at the principal office of the project or such other suitable place convenient to the owners as may be designated by the Board of Directors.

3. Annual Meetings. The first annual meeting of the Association shall be held on May 1, 1981. Thereafter, the annual meetings of the Association shall be held on the 1st Monday in May each succeeding year. At such meetings there shall be elected by ballot of the owners of a Board of Directors in accordance with the requirements of Section 5 of Article IV of these By-Laws. The owners may also transact such other business of the Association as may properly come before them.

4. Special Meetings. It shall be the duty of the President to call a special meeting of the owners as directed by resolution of the Board of Directors or upon a petition signed by a majority of the owners and having been presented to the Secretary, or at the request of the Federal Housing Commissioner or his duly authorized representative. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting

EXHIBIT "C"
Continued

except as stated in the notice unless by consent of four-fifths of the owners present, either in person or by proxy.

5. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each owner of record, at least 5 but not more than 10 days prior to such meeting. The mailing of a notice in the manner provided in this Section shall be considered notice served. Notices of all meetings shall be mailed to the Directors of the local insuring office of the Federal Housing Administration.

6. Adjourned Meeting. If any meeting of owners cannot be organized because of a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting from time to time, until a quorum is obtained.

7. Order of Business. The order of business at all meetings of the owners of units shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Federal Housing Administration representative, if present.
- (f) Report of committees.
- (g) Election of inspectors of election.
- (h) Election of directors.
- (i) Unfinished business.
- (j) New business.

ARTICLE IV

BOARD OF DIRECTORS

1. Number and Qualification. The affairs of this Association shall be governed by a Board of Directors composed of five (5) persons. The following persons shall act in such capacity and shall manage the affairs of the Association until the first annual meeting of the association, or until they resign and their successors are elected, whichever occurs first, to wit: William L. Brown, Robert H. Tennant, Charles Worthen, John C. Neal and Tom Casey.

2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of a first class residential condominium project. The Board of Directors may do all such acts and things as are not by law or these By-Laws, the Articles of Incorporation or by the Declaration directed to be exercised and done by the owners.

3. Other Powers and Duties. The Board of Directors shall be empowered and shall have the duties as follows:

- (a) Care, upkeep and surveillance of the project and the common areas and facilities and the restricted common areas and facilities.
- (b) To administer and enforce the covenants, conditons, restrictions, uses, limitations, obligations, and all other provisions as set forth in the Declaration.
- (c) To fix, determine, levy and collect the monthly prorated assessments to be paid by each of the owners towards the

EXHIBIT "C"
Continued

- gross expenses of the entire premises and by majority vote of the Board to adjust, decrease or increase the amount of the monthly assessments. To levy and collect special assessments whenever, in the opinion of the Board, it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies.
- (d) To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an owner as is provided in the Declaration and these By-Laws.
 - (e) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by each of the owners, and to cause a complete audit of the books and accounts by a competent certified public accountant, once each year.
 - (f) To prepare and deliver annually to each owner upon request, a statement showing all receipts, expenses or disbursements since the last such statement.
 - (g) Designation and dismissal of the personnel necessary for the maintenance and operation of the project, the common areas and facilities and the restricted common areas and facilities.
 - (h) To meet at least once each quarter.

4. Delegation of powers - Managing Agent. Notwithstanding anything considered herein to the contrary, the Board of Directors may delegate any of its powers, duties or functions to a Managing Agent provided that any such delegation shall be revocable upon notice by the Board of Directors. The members of the Board of Directors shall not be liable for any omission or improper exercise by the Managing Agent of any such duty, power or function so delegated by written instrument executed by a majority of the Board of Directors. The Managing Agent, if any, shall be employed by the Association at a compensation to be established by the Board based upon the services, duties, and functions to be performed by the Managing Agent.

5. Election and Term of Office. At the first annual meeting of the Association the term of office of two Directors shall be fixed for three (3) years. The term of office of two Directors shall be fixed at two (2) years, and the term of office of one Director shall be fixed at one (1) year. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and hold their first meeting. (If a larger Board of Directors is contemplated, the terms of office should be established in a similar manner so that they will expire in different years.)

6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

7. Removal of Directors. At any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by a majority of the owners and a successor may

EXHIBIT "C"
Continued

then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

8. Organizational Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the whole Board shall be present.

9. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

10. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally, or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) Directors.

11. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

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

13. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

14. Compensation. No member of the Board of Directors shall receive any compensation for acting as such.

15. Actions Without a Meeting. Notwithstanding any other provision of these By-Laws, any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the members of the Board of Directors, as the case may be. Such consent shall have the same force and effect as a unanimous vote at a meeting.

EXHIBIT "C"
Continued

ARTICLE V

OFFICERS

1. Designation. The officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. Any person may hold two or more offices except the President and any Vice-President shall not also be a Secretary or Assistant Secretary.

2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

3. Removal of Officers. Upon any affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of president of an Association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

5. Vice-President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to so do on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary.

7. Treasurer. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.

8. Additional Officers. Officers in addition to the President, Vice-President, Secretary and Treasurer may be appointed by the Board of Directors and shall hold the offices for such terms and shall have such authority and exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors not inconsistent with these By-Laws.

ARTICLE VI

INDEMNIFICATION OF OFFICERS AND MANAGERS

The Association shall indemnify every director or officer,

EXHIBIT "C"
Continued

his heirs, executors and administrators, against all loss, costs and expense, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct, bad faith or reckless disregard of duties involved in the conduct of his office.

All liability, loss, damage, costs and expenses incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses; provided, however, that nothing in this Article VI contained shall be deemed to obligate the Association to indemnify any member or owner of a condominium unit, who is or has been a director or officer of the Association, with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration as a member of the Association or owner of a condominium unit covered thereby.

The rights of indemnification herein provided may be insured against by policies maintained by the Association; shall be severable, shall not affect any other rights to which any director or officer may now or hereafter be entitled, shall continue as to a person who has ceased to be such director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person. Nothing contained herein shall affect any rights to indemnification to which Association personnel other than members of the Board of Directors and officers may be entitled by contract or otherwise under law.

Expenses in connection with the preparation and presentation of a defense to any claim, action, suit or proceeding of the character described in this Article VI may be advanced by the Association prior to final disposition hereof upon receipt of an undertaking by or on behalf of the member of the Board of Directors or officer, secured by a surety bond or other suitable insurance issued by a company authorized to conduct such business in the State of Texas, to repay such amount if it is ultimately determined that he is not entitled to indemnification under this Article.

ARTICLE VII

OBLIGATIONS OF THE OWNERS

1. Assessments. All owners are obligated to pay monthly assessments imposed by the Association to meet all project communal expenses, which may include a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstruction work in case of hurricane, fire, earthquake or other hazard. The assessments shall be made pro rata according to the percentage of undivided ownership in the common area assigned to the unit owned, as stipulated in the Master Deed. Such assessments shall include monthly payments to a General Operating Reserve and a Reserve Fund for Replacements as required in the Regulatory Agreement attached as Exhibit " D " to the Plan of Apartment Ownership. Such assessment shall be paid monthly in advance.

EXHIBIT "C"
Continued

2. Maintenance and Repair.

(a) Every owner must perform promptly at his own expense all maintenance and repair work within his own unit, which if omitted would affect the project in its entirety or in part belonging to other owners.

(b) All the repairs and maintenance of internal installations of the unit such as water, light, gas, power, sewage, telephone, air conditioners, sanitary installations, doors, windows, glass, electrical fixtures, floor and wall coverings and all other accessories, equipment and fixtures belonging to the unit area shall be at the owner's expense.

(c) An owner shall be obligated to reimburse the Association promptly upon receipt of its statement for any expenditures incurred by it in repairing or replacing any general or limited common element damaged by his negligence or by the negligence of his tenants or agents.

3. General.

(a) Each owner shall comply strictly with the provisions of the Declaration, the Articles of Incorporation and these By-Laws and amendments and supplements thereto.

4. Use of Family Units - Internal Changes.

(a) All units shall be utilized for residential purposes only.

(b) An owner shall not make structural modifications or alterations in his unit or installations located therein without previously notifying the Association in writing, through the Management Agent, if any, or through the President of the Board of Directors, if no management agent is employed. The Association shall have the obligation to answer within 45 days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

5. Use of Common Areas and Facilities and Restricted Common Areas and Facilities.

(a) An owner shall not place or cause to be placed in the lobbies, vestibules, stairways, elevators and other project areas and facilities of a similar nature both common and restricted, any furniture, packages or objects of any kind. Such areas shall be used for no other purpose than for normal transit through them.

6. Right of Entry.

(a) An owner shall grant the right of entry to the Board of Directors or to any other person authorized by the Board of Directors in case of any emergency originating in or threatening his unit, whether the owner is present at the time or not.

(b) An owner shall permit other owners, or their representatives, when so required, to enter his unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of an emergency, such right of entry shall be immediate.

7. Rules of Conduct.

(a) No resident of the project shall post any advertisements, or posters of any kind in or on the project except as authorized by the Association.

EXHIBIT "C"
Continued

- (b) Residents shall exercise extreme care about making noises or the use of musical instruments, radios, television and amplifiers that may disturb other residents. Keeping domestic animals will abide by the Municipal Sanitary Regulations.
- (c) It is prohibited to hang garments, rugs, etc., from the windows or from any of the facades of the project.
- (d) It is prohibited to dust rugs, etc., from the windows, or to clean rugs, etc., by beating on the exterior part of the project.
- (e) It is prohibited to throw garbage or trash outside the disposal installations provided for such purposes in the service areas.
- (f) No owner, resident or lessee shall install wiring for electrical or telephone installation, television antennae, machines or air conditioning units, etc., on the exterior of the project or that protrude through the walls or the roof of the project except as authorized by the Association.

ARTICLE VIII

AMENDMENTS TO BY-LAWS

1. By-Laws. These By-Laws may be amended by the Association at a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by owners representing at least 75% of the aggregate percentage of values of undivided ownership in the common elements assigned to all of the owners pursuant to the Declaration.

ARTICLE IX

MORTGAGES

1. Notice to Association. An owner who mortgages his unit shall notify the Association through the Managing Agent, if any, or the President of the Board of Directors, giving the name and address of his mortgagee. The Association shall maintain such information in a book entitled "Mortgagees of Condominium Units".
2. Notice of Unpaid Assessments. The Association shall at the request of a mortgagee of a unit report any unpaid assessments due from the owner of such unit.

ARTICLE X

COMPLIANCE

These By-Laws and the Condominium Declaration for Tampico Cove Condominiums are set forth to comply with requirements of Article 1301a of the Texas Revised Civil Statutes. If any of these By-Laws or the Declaration conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute will apply, and govern.

ARTICLE XI

NON-PROFIT ASSOCIATION

This Association is not organized for profit. No member,

EXHIBIT "C"
Continued

member of the Board of Directors or persons from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any member of the Board of Directors; provided, however, always (1) that reasonable compensation may be paid to any member while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and (2) that any member of the Board of Directors may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE XII

NOTICES

All notices to members of the Association shall be given by delivering the same to each owner in person or by depositing the notices in the U.S. mail, postage prepaid, addressed to each owner at the address last given by each owner to the Secretary of the Association. If an owner shall fail to give an address to the Secretary for mailing of such notices, all such notices shall be sent to the condominium unit of such owner and all owners shall be deemed to have been given notice of the meetings upon the proper mailing of the notices to such addresses irrespective of the actual receipt of the notices by the owners.

ARTICLE XIII

SEVERALTY

The invalidity of any provision or provisions of these By-Laws shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of these By-Laws, and in such event, all of the other provisions of these By-Laws shall continue in full force and effect as if such invalid provision had never been included herein.

BY-LAWS
OF
TAMPICO COVE CONDOMINIUMS OWNERS ASSOCIATION, INC.

AMENDMENT I

In compliance with Article VIII, Amendments to By-Laws and pursuant to Article VII, Obligations of the Owners, the Membership hereby grants and authorizes the Board of Directors to impose, assess, and collect late fee charges for monthly assessment fees declared delinquent. Said assessment fees, as stipulated in Article VII, Paragraph 1, are due to be paid monthly in advance. Said assessment fees will be declared delinquent if not paid by the last day of the month due and will incur a late fee penalty of \$15.00. All payments received will be applied to the oldest balance due until the account is paid current.

All members will be notified by mail thirty (30) days prior to the effective date of this Amendment.

Members with assessment fee accounts, presently in arrears, will be allowed sixty (60) days in which to bring their accounts current. Otherwise, they will be assessed a one time penalty equal to the number of months their account is in arrears at \$15.00 per month. All monthly assessment fees due next month and declared delinquent will incur a late fee charge of \$15.00.

Date of Acceptance by the Association, May 1, 1987.

By: Joe E. Conger, Jr.
Joe Conger, Jr., Acting President
Member, Board of Directors

By: Shirley McKinley
Shirley McKinley, Secretary
Member, Board of Directors

BY-LAWS
OF
TAMPICO COVE CONDOMINIUM OWNERS ASSOCIATION, INC.

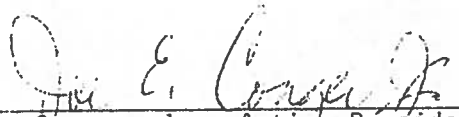
AMENDMENT II


In compliance with Article VIII, Amendments to By-Laws, Article Seven, Section One, of the By-Laws, is hereby amended to read:

1. Assessments. All owners are obligated to pay monthly assessments imposed by the Association to meet all project communal expenses, which may include a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstruction work in case of hurricane, fire, earthquake or other hazard. The assessments shall be made pro rata according to the percentage of undivided ownership in the common area assigned to the unit owned, as stipulated in the Master Deed. Such assessments shall include monthly payments to a General Operating Reserve and a Reserve Fund for Replacements as required in the Regulatory Agreement attached as Exhibit "D" to the Plan of Apartment Ownership. Such assessment shall be paid monthly in advance.

(a) An Owner in default of any provision of the Condominium Declaration shall not be entitled to vote at any meeting of the Corporation so long as such default is in existence. However, if the default consists of maintenance fee payments in arrears, the member shall be entitled to vote so long as his maintenance fees are no more than sixty (60) days delinquent.

Date of Acceptance by the Association, 5 - 1, 1987.

By: 
Joe Conger, Jr., Acting President
Member, Board of Directors

By: 
Shirley McKinley, Secretary
Member, Board of Directors

BY-LAWS
OF
TAMPICO COVE CONDOMINIUMS OWNERS ASSOCIATION, INC.

AMENDMENT III

In compliance with the original provisions of Article VIII, Amendments to By-Laws, Article VIII is hereby amended to read:

1. By-Laws

These By-Laws may be amended by the Association at a duly constituted meeting for such purposes, and no amendment shall take effect unless approved by Owners representing at least 75% of the Owners deemed qualified as voters in accordance with the Terms and Provisions of the Articles of Incorporation and the By-Laws of Tampico Cove Condominium Owners Association, Inc., as amended, and as represented by the aggregate percentage of values of undivided ownership, of those qualified voters, in the common elements assigned to all of the Owners pursuant to the Declaration.

Date of Acceptance by the Association, 5-1-87, 1987.

By: Joe Conger, Jr.
Joe Conger, Jr., Acting President
Member, Board of Directors

By: Shirley McKinley
Shirley McKinley, Secretary
Member, Board of Directors

BY-LAWS

OF



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TAMPICO COVE CONDOMINIUMS OWNERS ASSOCIATION, INC.

AMENDMENT IV

In compliance with the original provisions of Article VIII, Amendments to By-Laws, Article VIII is hereby amended to read:

1. By-Laws

These By-Laws may be amended by the Association at a duly constituted meeting for such purposes, and no amendment shall take effect unless approved by Owners representing at least 60% of the Owners deemed qualified as voters in accordance with the Terms and Provisions of the Articles of Incorporation and the By-Laws of Tampico Cove Condominium Owners Association, Inc., as amended, and as represented by the aggregate percentage of values of undivided ownership, of those qualified voters, in the common elements assigned to all of the Owners pursuant to the Declaration.

Date of Acceptance by the Association, February 23, 2011.

By: Mike Burke
Mike Burke, Acting President
Member, Board of Directors

SUBSCRIBED AND SWORN TO before me on this 21st day of April, 2011, by MIKE BURKE, to certify which witness my hand and seal of office.



Heather Rasco
Notary Public, State of Texas

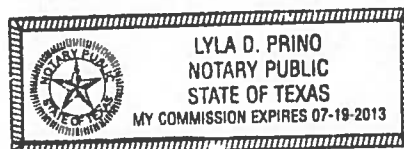
By: Thema A. Jones
Thema A. Jones, Acting Secretary
Member, Board of Directors

SUBSCRIBED AND SWORN TO before me on this 29th day of April, 2011, by THEMA JONES, to certify which witness my hand and seal of office.

Lyla D. Prino
Notary Public, State of Texas

AFTER RECORDED, RETURN TO:

Cris A. Rasco, Attorney
Rasco Law Firm
2709 Texas Avenue
Texas City, Texas 77590



**DULY ADOPTED AMENDED BY-LAWS
OF
TAMPICO COVE CONDOMINIUM OWNERS ASSOCIATION, INC.**

THE STATE OF TEXAS
COUNTY OF GALVESTON

§
§
§

KNOW ALL MEN BY THESE PRESENTS

WHEREAS, TAMPICO COVE CONDOMINIUM OWNER'S ASSOCIATION, INC., a Texas non-profit corporation (the "Association") originally duly passed a set for By-Laws that were recorded in the Real Estate Property Records of Galveston County, Texas under Film Code No(s). 001-12-1239 through 001-12-1248; and

Said By-Laws have been duly amended from time to time.

In accordance with Article VIII(1) of the By-Laws, the Association duly amended its By-Laws with respect to the time of its Annual Meeting which is set forth under Article III(3) of the original By-Laws.

It is now certified that the Association acted to amend it's By-Laws in the manner required by Article VIII(1) as follows:

**AMENDED ARTICLE III(3)
ANNUAL MEETINGS**

1. The annual meeting of Tampico Cove Condominium Owners Association, Inc. shall be held in January of each fiscal year, commencing in January 2007 and in each succeeding January thereafter.

Executed this 14th day of December, 2006.

**TAMPICO COVE CONDOMINIUM OWNERS ASSOCIATION, INC., a
Texas non-profit corporation**

Mike Burke
MIKE BURKE, President

Margaret Taylor
MARGARET TAYLOR, Secretary

OFFICER'S CERTIFICATE

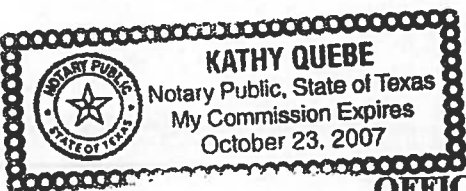
I, MIKE BURKE, President of TAMPICO COVE CONDOMINIUM OWNERS ASSOCIATION, INC., a Texas non-profit corporation (the "Association"), hereby certify that the attached document is an original or true and correct copy of the Amended Rules and Regulations of TAMPICO COVE CONDOMINIUM OWNERS ASSOCIATION, INC. The Association is the governing entity for TAMPICO COVE CONDOMINIUMS pursuant to the Declaration of Covenants, Conditions, Restrictions and Easements for TAMPICO COVE CONDOMINIUM dated effective March 25, 1981 and recorded in the Real Property Records of Galveston County, Texas, and under Clerk's File No(s). 001-12-1224.

**TAMPICO COVE CONDOMINIUM OWNERS ASSOCIATION, INC., a
Texas non-profit corporation**

Mike Burke

THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

This instrument was acknowledged before me on the 14th day of December, 2006, by, **MIKE BURKE, President**, of **TAMPICO COVE CONDOMINIUM OWNERS ASSOCIATION, INC.**, in the capacity therein stated and as the act of said corporation.



Kathy Quebe
NOTARY PUBLIC, State of Texas

OFFICER'S CERTIFICATE

OFFICER'S CERTIFICATE

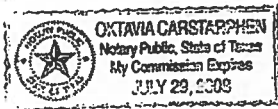
I, MARGARET TAYLOR Secretary of TAMPICO COVE CONDOMINIUM OWNERS ASSOCIATION, INC., a Texas non-profit corporation (the "Association"), hereby certify that the attached document is an original or true and correct copy of the Rules and Regulations of TAMPICO COVE CONDOMINIUM OWNERS ASSOCIATION, INC. The Association is the governing entity for TAMPICO COVE CONDOMINIUMS pursuant to the Declaration of Covenants, Conditions, Restrictions and Easements for TAMPICO COVE CONDOMINIUMS dated effective March 25, 1981, and recorded in the Real Property Records of Galveston County, Texas, and under Clerk's File No(s). 001-12-1224.

TAMPICO COVE CONDOMINIUM OWNERS ASSOCIATION, INC., a Texas non-profit corporation

Margaret Taylor

THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

This instrument was acknowledged before me on the 5th day of December, 2006, by, MARGARET TAYLOR, Secretary, of TAMPICO COVE CONDOMINIUM OWNERS ASSOCIATION, INC., in the capacity therein stated and as the act of said corporation.



u

NOTARY PUBLIC, State of Texas

FHA FORM NO 370
Revised August 1969
(Previous revision obsolete)

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION

REGULATORY AGREEMENT*

(For use by condominiums under Sections 221 (k), 234 and 235)

AGREEMENT dated this 24th day of March, 1981, by and between
TAMPICO COVE CONDOMINIUM OWNERS ASSOCIATION, INC. (hereinafter called the
Association) whose address is 1115 Hawthorne, Houston, Texas 77006
party of the first part, and
Housing Commissioner (hereinafter called the Commissioner) acting pursuant to authority granted him by the
National Housing Act, as amended, (hereinafter referred to as the Act) party of the second part.

WHEREAS, the Association has the responsibility for administering the TAMPICO COVE
Condominium and desires to aid members in obtaining financing for the purchase of family units in the condomi-
nium, and

WHEREAS, mortgagees may be unwilling to lend sums to the members of the Association without FHA
mortgage insurance; and

WHEREAS, the Commissioner is unwilling to endorse notes for mortgage insurance pursuant to Section
234 of Title II of the Act unless and until the Association shall be entering into the covenants and agreements
set forth below, content to be regulated and restricted by the Commissioner as provided in the Act:

NOW, THEREFORE, in consideration of One Dollar (\$1.00) in hand paid, and other good and valuable
considerations by each party to the other, the receipt of which is hereby acknowledged, and in order to induce
the Commissioner to endorse for mortgage insurance the notes secured by mortgages covering family units in
the condominium, and in order that the Association may be regulated and restricted by the Commissioner as
provided for in the Act and the applicable Regulations, the parties hereto agree as follows: that whenever a
Contract of Mortgage Insurance for a mortgage covering a family unit in the condominium is in effect, or during
any period of time as the Commissioner shall be the owner, holder, or reinsurer of any mortgage covering a
family unit in the condominium, or during any time the Commissioner is the owner of a family unit in the con-
dominium or is obligated to insure a mortgage covering any family unit in the condominium:

1. The Association shall establish and maintain reserve fund for replacements by the allocation and pay-
ment monthly to such reserve fund an amount to be designated from time to time by the Commissioner.
Such fund shall be deposited in a special account with a safe and responsible depository approved by
the Commissioner and may be in the form of a cash deposit or invested in obligations of, or fully
guaranteed as to principal by, the United States of America. The reserve fund is for the purpose of ef-
fecting replacements of structural elements and mechanical equipment of the condominium and for such
other purposes as may be agreed to in writing by the Commissioner. Disbursements from such fund may
be made only after receiving the consent in writing of the Commissioner.
2. The Association shall establish and maintain a general operating reserve by allocation and payment
thereto monthly of a sum equivalent to not less than 3 percent of the monthly assessments chargeable
to the owners of family units in the condominium pursuant to the by-laws. Upon accrual in said Gen-
eral Operating Reserve Account of an amount equal to 15 percent of the current annual amount of
assessments chargeable to the owners of family units in the condominium pursuant to the by-laws, the
rate of such monthly allocations may, by appropriate action of the Association, be reduced from 3 per-
cent to 2 percent provided, however, that in the event withdrawals from such account reduce it below
said 15 percent accrual, the rate of such monthly deposits shall immediately be restored to 3 percent;
at any time thereafter upon accrual in said General Operating Reserve Account of an amount equal to
25 percent of the current annual amount of assessments chargeable to the owners of family units in the
condominium pursuant to the by-laws, such monthly deposits may, by appropriate action of the Associa-
tion, be discontinued and no further deposits need be made into such General Operating Reserve so
long as said 25 percent level is maintained and provided, further that upon reduction of such reserve
below said 25 percent level, monthly deposits shall forthwith be made at the 3 percent rate until the
25 percent level is restored. This reserve shall remain in a special account and may be in the form of
cash deposit or invested in obligations of, or fully guaranteed as to principal by, the United States of
America, and shall at all time be under the control of the Association. This cumulative reserve is in-
tended to provide a measure of financial stability during periods of special stress and may be used to
meet deficiencies from time to time as a

* To be attached to the recorded Plan of Apartment Ownership and to be executed and dated as of the date of recording.
** Insert name of Association of Owners as designated in the By-Laws of the Condominium, or the name of the Corporation,
if the Association is incorporated.

EXHIBIT "D"
(continued)

001-12-1251

9. Upon a violation of any of the above provisions of this Agreement by the Association, or by any owner of a family unit, or upon the failure of the Association to abide by and carry out the provisions of the plan of Apartment Ownership and the By-Laws, the Commissioner may give written notice thereof to the Association or to the owner of a family unit, by registered or certified mail. If such violation is not corrected to the satisfaction of the Commissioner within 15 days after the date such notice is mailed or within such additional period of time as is set forth in the notice, without further notice the Commissioner may declare a default under this Agreement and upon such default the Commissioner may:
- (a) In the case of a default by the owner of a family unit:
 - (i) If the Commissioner holds the note of the defaulting owner - declare the whole of said indebtedness due and payable and then proceed with the foreclosure of the mortgage.
 - (ii) If said note is held by an FHA-insured mortgagee - notify the mortgagee of such default, and the mortgagee, with the prior written consent of the Commissioner, may declare the whole indebtedness due, and thereupon proceed with the foreclosure of the mortgage, or assign the note and mortgage to the Commissioner as provided in the Regulations.
 - (b) In the case of a default by the Association or by the owner of a family unit:
 - Apply to any court, State or Federal, for specific performance of this Agreement, for an injunction against any violation of the Agreement, or for such other relief as may be appropriate, since the injury to the Commissioner arising from a default under any of the terms of this Agreement would be irreparable and the amount of damage would be difficult to ascertain.
10. The covenants and agreements herein set out shall be deemed to run with the land and the property described in the Plan of Apartment Ownership, and to bind all owners of family units, present and future.
11. As used in this Agreement the term:
- (a) "Mortgage" shall include "Deed of Trust";
 - (b) "Note" shall include "Bond";
 - (c) "Mortgagee" shall include the "Beneficiary" under Mortgage or Deed of Trust however designated.
 - (d) "Default" means a default declared by the Commissioner when a violation of this Agreement is not corrected to his satisfaction within the time allowed by this Agreement or such further time as may be allowed by the Commissioner after written notice.
 - (e) "Plan of Apartment Ownership" shall include all legal documents, deeds, by-laws, plans and specifications, required by the laws of the jurisdiction to establish condominium ownership.
- (The use of the plural shall include the singular, the singular the plural, and the use of any gender shall be deemed to include all genders.)
12. This instrument shall bind, and the benefits shall inure to, the respective parties hereto, their legal representatives, executors, administrators, successors in office or interest, and assigns.
13. The invalidity of any clause, part or provision of this agreement shall not affect the validity of the remaining portions thereof.
14. The Association agrees and assumes the obligation to have this Agreement recorded in the appropriate land records in the jurisdiction in which the real property herein described is situated, and in the event of failure to do so, it is agreed that the Commissioner may have the same recorded at the expense of the Association.
15. It is specifically agreed between the parties hereto that the breach of any of the terms of this Agreement by the Association or by an owner of a family unit will substantially damage and injure the Commissioner in the proper performance of his duties under the provisions of the Act, and will impede and injure the proper operations intended under such Act, that such damage will be irrespective of and in addition to any damage to the security of the mortgaged premises or to any financial damage the Commissioner may suffer as insurer, that, except for the agreements herein contained, the Commissioner would not issue and would not be authorized to issue a Contract of Mortgage Insurance, and that mortgagees may not be willing to lend sums of money to owners of the family units on the security of mortgages covering such units, unless the same were insured by the Commissioner.

Exhibit D

MAY 19 1982

Mr. David Simons, President
Sand N Sea Properties, Inc.
13348 FM 3005
Galveston, TX 77551

Dear Mr. Simons:

SUBJECT: FHA Project No 114-34002
Tampico Core
Galveston, TX

This office has received clarification from the HUD Central Office regarding HUD's position on condominium servicing.

In order to receive the commitment for single-family ownership, a percentage of the value of the units (Usually 80 percent) must be pre-sold.

*
*
Once this pre-sale requirement has been achieved, this office's multifamily servicing responsibilities are fulfilled.

Thereafter, each unit is serviced as a single-family dwelling.

If this office may be of further assistance, please call Paula Pollard at (713) 226-4388.

Sincerely,

O/S Rogelio R. Santos

Rogelio R. Santos
Deputy Supervisor for
Housing Management, 6.8FM

✓ cc: Mr. Thomas S. Johnson

EXHIBIT "C"
Continued

001-12-1245

his heirs, executors and administrators, against all loss, costs and expense, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct, bad faith or reckless disregard of duties involved in the conduct of his office.

All liability, loss, damage, costs and expenses incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses; provided, however, that nothing in this Article VI contained shall be deemed to obligate the Association to indemnify any member or owner of a condominium unit, who is or has been a director or officer of the Association, with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration as a member of the Association or owner of a condominium unit covered thereby.

The rights of indemnification herein provided may be insured against by policies maintained by the Association; shall be severable, shall not affect any other rights to which any director or officer may now or hereafter be entitled, shall continue as to a person who has ceased to be such director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person. Nothing contained herein shall affect any rights to indemnification to which Association personnel other than members of the Board of Directors and officers may be entitled by contract or otherwise under law.

Expenses in connection with the preparation and presentation of a defense to any claim, action, suit or proceeding of the character described in this Article VI may be advanced by the Association prior to final disposition hereof upon receipt of an undertaking by or on behalf of the member of the Board of Directors or officer, secured by a surety bond or other suitable insurance issued by a company authorized to conduct such business in the State of Texas, to repay such amount if it is ultimately determined that he is not entitled to indemnification under this Article.

ARTICLE VII

OBLIGATIONS OF THE OWNERS

1. Assessments. All owners are obligated to pay monthly assessments imposed by the Association to meet all project communal expenses, which may include a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstruction work in case of hurricane, fire, earthquake or other hazard. The assessments shall be made pro rata according to the percentage of undivided ownership in the common area assigned to the unit owned, as stipulated in the Master Deed. Such assessments shall include monthly payments to a General Operating Reserve and a Reserve Fund for Replacements as required in the Regulatory Agreement attached as Exhibit "p" to the Plan of Apartment Ownership. Such assessment shall be paid monthly in advance.

<u>APT. #</u>	<u>BUILDING</u>	<u>PERCENTAGE OF INTEREST</u>
A-1	A	1.110
A-2	A	1.110
A-3	A	1.110
A-4	A	1.110
A-5	A	1.110
A-6	A	1.110
A-7	A	1.110
A-8	A	1.110
B-1	B	.892
B-2	B	.892
B-3	B	.892
B-4	B	.892
B-5	B	.892
B-6	B	.892
B-7	B	.892
B-8	B	.892
B-9	B	.892
B-10	B	.892
B-11	B	.892
B-12	B	.892
C-1	C	1.110
C-2	C	1.110
C-3	C	1.110
C-4	C	1.110
C-5	C	1.110
C-6	C	1.110
C-7	C	1.110
C-8	C	1.110
D-1	D	1.110
D-2	D	1.110
D-3	D	1.110
D-4	D	1.110
D-5	D	1.110
D-6	D	1.110
D-7	D	1.110
D-8	D	1.110
E-1	E	.892
E-2	E	.892
E-3	E	.892
E-4	E	.892
E-5	E	.892
E-6	E	.892
E-7	E	.892
E-8	E	.892
F-1	F	1.110
F-2	F	1.242
F-3	F	1.242
F-4	F	1.110
F-5	F	1.110
F-6	F	1.242
F-7	F	1.242
F-8	F	1.110

G-1	G	
G-2	G	.892
G-3	G	.892
G-4	G	.892
G-5	G	.892
G-6	G	.892
G-7	G	.892
G-8	G	.892

H-1	H	1.118
H-2	H	1.242
H-3	H	1.242
H-4	H	1.118
H-5	H	1.118
H-6	H	1.242
H-7	H	1.242
H-8	H	1.118

J-1	J	1.118
J-2	J	1.242
J-3	J	1.242
J-4	J	1.118
J-5	J	1.118
J-6	J	1.242
J-7	J	1.242
J-8	J	1.118

K-1	K	1.242
K-2	K	1.242
K-3	K	1.242
K-4	K	1.242
K-5	K	1.242
K-6	K	1.242
K-7	K	1.242
K-8	K	1.242

L-1	L	1.242
L-2	L	1.242
L-3	L	1.242
L-4	L	1.242
L-5	L	1.242
L-6	L	1.242
L-7	L	1.242
L-8	L	1.242

FILED FOR RECORD
 MAR 30 12 34 PM 1981

EXHIBIT "E"
 page 2

STATE OF TEXAS COUNTY OF COLLIER
 I hereby certify that this instrument was filed on the
 date and time stamped herein by me and was duly recorded
 in the Official Public Records of Real Property of Collier
 County Texas on

MAR 30 1981



Mary Jane Christensen
 COUNTY CLERK, Collier County, Texas

Mary Jane Christensen
 COUNTY CLERK, Collier County, Texas