

FILED  
In the Office of the  
Secretary of State of Texas  
SEP 30 1996  
Corporations Section

**ARTICLES OF INCORPORATION  
OF  
KINGWOOD VILLAGE ESTATES CONDOMINIUMS COUNCIL OF OWNERS**

1 Corporate Name The name of the corporation is Kingwood Village Estates Condominiums Council of Owners (the "Council")

2 Legal Status The Council is a nonprofit corporation organized pursuant to the Texas Non-Profit Corporation Act

3 Duration The period of the duration of the Council is perpetual

4 Purposes The purposes for which the Council is formed are the following

(a) Specifically and primarily to provide an organization consisting of the owners of the certain condominium project located in Harris County, State of Texas, a more particularly described in the Declaration recorded in the Condominium Records in the County Clerk of Harris County, State of Texas, under Clerk's File No R257494, (the "Condominium Project"), to provide for the management, maintenance, preservation, and architectural control of the Condominium Project

(b) Generally

(i) to promote the health, safety, and welfare of the owners of the Condominium Project

(ii) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Council as set forth in the Declaration and Bylaws of said Council (the "Declaration" and "Bylaws," respectively)

(iii) To fix, levy, collect, and enforce payment of any charges or assessments as set forth in the Declaration and to pay all expenses in connection with such charges or assessments, all office expenses, and all other expenses incidental to the conduct of business of the Council, including all licenses, taxes, or governmental charges levied or imposed against the property of the Council

(iv) To acquire (by gift, purchase or otherwise), own, hold, improve, build on, operate, maintain, convey, sell, lease, transfer, to dedicate for public use, or otherwise to dispose of real or personal property in connection with the affairs of the Council

(v) To borrow money, to mortgage, to pledge, to deed in trust, or to hypothecate any or all of the Council's real or personal property as security for money borrowed or debts incurred

(vi) To have and to exercise any and all powers, rights, and privileges that a corporation organized under the Texas Non-Profit Corporation Act by law may now or at a later time have or exercise

(vii) To act in the capacity of principal, agent, joint venturer, partner, or otherwise

(c) Notwithstanding any of the above statements of purposes, the Council shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of the Council

5 Initial Registered Office and Agent The street address of the initial registered office of the Council is 2803 Kings Crossing Drive, Kingwood, Texas 77345, and the name of its initial registered agent at such address Paul Peters

6 Board of Directors The affairs of the Council shall be managed by a Board of Directors The number of Directors constituting the initial Board is three The number of Directors may be changed by amendment of the Bylaws of the Council, provided, however, that the number of Directors may never be less than three (3)

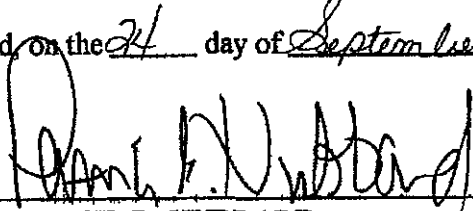
The names and addresses of the persons who are to serve as the initial Directors are as follows

Name	Address
Paul Peters	2803 Kings Crossing Drive, Kingwood, TX 77345
Edward H Peters	2803 Kings Crossing Drive, Kingwood, TX 77345
Ken Quring	2803 Kings Crossing Drive, Kingwood, TX 77345

7 Incorporator The name and street address of the incorporator of this Council is as follows

Name	Address
Patrick G Hubbard	2628 Chestnut Ridge Kingwood, Texas 77339

IN WITNESS WHEREOF, I have set my hand on the 24 day of September, 1996

  
\_\_\_\_\_  
PATRICK G HUBBARD

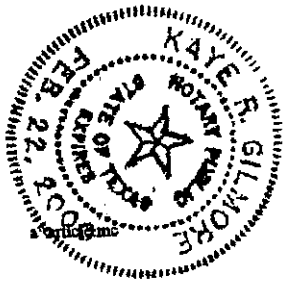
THE STATE OF TEXAS §  
  §  
COUNTY OF TEXAS §

BEFORE ME, the undersigned Notary Public, on this day personally appeared PATRICK G HUBBARD, who, being by me duly sworn on oath deposed and said that he has read the above Articles of Incorporation and that every statement contained within the Articles of Incorporation is within his personal knowledge and is true and correct

Patrick G. Hubbard  
PATRICK G HUBBARD

SUBSCRIBED AND SWORN TO BEFORE ME on the 27 day of September, 1996,  
to certify which witness my hand and official seal

Kay R. Gilmore  
NOTARY PUBLIC OF THE STATE OF TEXAS



Corporations Section  
P.O.Box 13697  
Austin, Texas 78711-3697



Phil Wilson  
Secretary of State

## Office of the Secretary of State

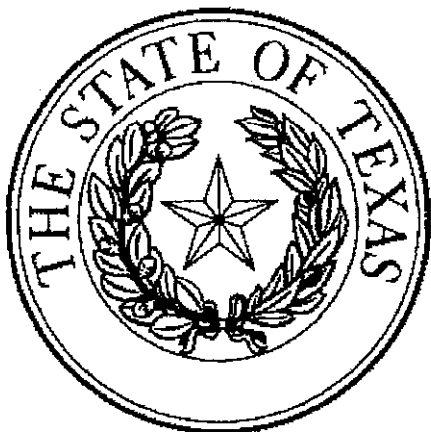
The undersigned, as Secretary of State of Texas, does hereby certify that the attached is a true and correct copy of each document on file in this office as described below:

KINGWOOD VILLAGE ESTATES CONDOMINIUMS COUNCIL OF OWNERS  
Filing Number: 141683001

Articles Of Incorporation

September 30, 1996

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on July 11, 2007.



A handwritten signature in black ink that reads "Phil Wilson".

Phil Wilson  
Secretary of State



notice  
69  
M

**NOTICE OF DEDICATORY INSTRUMENTS  
FOR  
KINGWOOD VILLAGE ESTATES  
CONDOMINIUMS COUNCIL OF OWNERS**

---

STATE OF TEXAS           §  
  §  
COUNTY OF HARRIS       §

The undersigned, being the authorized representative of Kingwood Village Estates Condominiums Council of Owners, a property owners' association as defined in Section 202.001 of the Texas Property Code (the "Association"), hereby certifies as follows:

1. Subdivision: The Subdivision to which the Notice applies is described as follows:

All that certain tract or parcel of land described in Exhibit "A" to the Kingwood Village Estates Condominiums Declaration of Condominium recorded under Film Code No. 167033 of the Condominium Records of Harris County, Texas.

2. Restrictive Covenants. The description of the document(s) imposing restrictive covenants on the Subdivision, the amendment(s) to such document(s), and the recording information for such document(s) are as follows:

- a. Documents: Kingwood Village Estates Condominiums Declaration of Condominium *fel*
- b. Recording Information: Film Code No. 167033 of the Condominium Records of Harris County, Texas and Clerk's File No. R257494 of the Official Public Records of Real Property of Harris County, Texas

3. Dedicatory Instruments: In addition to the Restrictive Covenants identified in Paragraph 2, above, the following documents are Dedicatory Instruments governing the Association:

- a. Articles of Incorporation;
- b. ByLaws; and
- c. Rules and Regulations for Kingwood Village Estates

True and correct copies of such Dedicatory Instruments are attached to this Notice.

This Notice is being recorded in the Official Records of Real Property of Harris County, Texas for the purpose of complying with Section 202.006 of the Texas Property Code. I hereby certify that the information set forth in this Notice is true and correct and that the copies of the Dedicatory Instruments attached to this Notice are true and correct copies of the originals.

*Rick S. Butler*  
Rick S. Butler  
Authorized Representative of Kingwood Village Estates  
Condominiums Council of Owners

*[Handwritten initials]*

THE STATE OF TEXAS           §  
  §  
COUNTY OF HARRIS           §

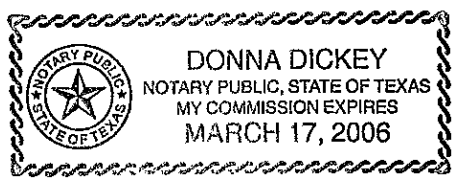
BEFORE ME, the undersigned notary public, on this day personally appeared Rick S. Butler, authorized representative of Kingwood Village Estates Condominiums Council of Owners, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

SUBSCRIBED AND SWORN TO BEFORE ME on this the 30<sup>th</sup> day of January 2004, to certify which witness my hand and official seal.

*Donna Dickey*  
Notary Public in and for the State of Texas

Return to:  
Butler & Hailey, P.C.  
1616 South Voss Road, Suite 500  
Houston, Texas 77057

*[Handwritten mark]*





Professionally Managed By  
*C.I.A. Services, Inc.*  
North Office  
8811 FM 1960 Bypass Road, Suite 200  
Humble, Texas 77338-3952  
Phone: 713-981-9000  
Fax: 713-981-9090  
Toll Free: 866-219-0563  
[www.ciaservices.com](http://www.ciaservices.com)

## Notice to All KVE Owners

The Board of Directors for Kingwood Village Estates (“**Board**”) is providing this Notice to remind all of our owners of some key issues regarding selling or transferring (via gift) an Apartment. These requirements help to keep Kingwood Village Estates a great place to live, so we want to make sure everyone stays informed!

### **Before Putting Your Apartment on the Market**

The Declaration (Section 9.1-4) provides that, before any owner may put an Apartment on the market for sale, it must give notice to the Association and allow the Association the right to purchase the Apartment under the same terms as the owner intends to market the Apartment to third parties.

In order to comply with these provisions, any owner planning to sell or transfer title for their Apartment must first provide the KVE Board a “**Purchase Offer Notice**” disclosing their intent to sell or transfer title for their Apartment. A sample Purchase Offer Notice Form is attached.

Please see the Declaration for details and exceptions to this requirement.

### **Once You Have a Prospective Buyer or Transferee (if a Gift)**

The Amendment to the Declaration (Section 1.4) effective 3/4/2015 limits the number of Apartments that may be owned at any given time by any single owner (excluding multiple Apartments owned as of that date). It also limits the ownership of Apartments by people or entities affiliated with other owners. No owner may voluntarily transfer title (via *sale* or *gift*) to an Apartment unless the Board (i) determines that the transfer complies with Section 1.4 of the Declaration, and (ii) issues a written “**Certification**” of compliance.

In order to comply with this provision, any owner with a prospective buyer or transferee must receive from the Board a written Certification of compliance in order for a sale/transfer to be valid. The owner must submit a written request to the Board for Certification of the sale/transfer sufficiently in advance of the closing date to allow the Board to determine compliance with Section 1.4. sample Compliance Forms (one for an individual buyer and one for an entity buyer) can be obtained from Brooke Gattis, KVE Property Manager.

The Board will provide a Certification of compliance if the prospective buyer or transferee is deemed to comply with Section 1.4. If the Board has not approved Certification or requested information within thirty (30) days after receiving a written request therefor, the transfer shall be deemed in compliance.

If you have any questions regarding these requirements or forms, please feel free to contact Phil Ruziska or Brooke Gattis (KVE Property Manager).

Phil Ruziska  
Vice-President  
KVE Board of Directors  
Phone: 281-216-7991



This Notice is being recorded in the Official Records of Real Property of Harris County, Texas for the purpose of complying with Section 202.006 of the Texas Property Code. I hereby certify that the information set forth in this Notice is true and correct and that the copies of the Dedicatory Instruments attached to this Notice are true and correct copies of the originals.

*Rick S. Butler*  
Rick S. Butler  
Authorized Representative of Kingwood Village Estates  
Condominiums Council of Owners

*[Handwritten initials]*

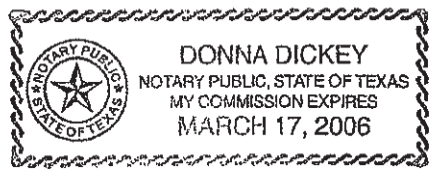
THE STATE OF TEXAS       §  
  §  
COUNTY OF HARRIS       §

BEFORE ME, the undersigned notary public, on this day personally appeared Rick S. Butler, authorized representative of Kingwood Village Estates Condominiums Council of Owners, 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 purpose and in the capacity therein expressed.

SUBSCRIBED AND SWORN TO BEFORE ME on this the 30<sup>th</sup> day of June 2004, to certify which witness my hand and official seal.

*Donna Dickey*  
Notary Public in and for the State of Texas

Return to:  
Butler & Hailey, P.C.  
1616 South Voss Road, Suite 500  
Houston, Texas 77057



## EXHIBIT C

## BY-LAWS

## OF

## THE KINGWOOD VILLAGE ESTATES CONDOMINIUMS COUNCIL OF OWNERS

THE KINGWOOD VILLAGE ESTATES CONDOMINIUMS COUNCIL OF OWNERS, a Texas non-profit corporation (the "council of owners"), is the corporation referred to and defined as the "council of owners" in the Declaration of Condominium (the "declaration") of the Kingwood Village Estates, a condominium regime in Houston, Harris County, Texas, created pursuant to the provisions of the Texas Uniform Condominium Act (the "act"). The terms used in these by-laws shall have the same meanings given to them in the declaration, unless otherwise specifically provided. In the event of any conflict between the terms and provisions of these by-laws and the declaration, the articles of incorporation of the council of owners, the rules and regulations or applicable laws, or between any of them, these by-laws shall control over the rules and regulations, the articles of incorporation shall control over these by-laws and the rules and regulations, the declaration shall control over the articles of incorporation, these by-laws and the rules and regulations, and applicable laws shall control over all of the foregoing.

## ARTICLE I.

Voting by Owners

1.01. Each owner shall be a member of the council of owners and shall have one vote in the affairs and management of the council of owners for each apartment, weighted in proportion to the percentage ownership interest of such apartment in the common elements as set forth in the Declaration. Each owner's percentage ownership interest is determined and stated in Exhibit B of the declaration. If, at any time, the council of owners shall hold legal title to one or more apartments, the votes to which the owner of such apartment otherwise would be entitled shall be disregarded until legal title to such apartment is conveyed to another person.

1.02. No owner, other than the declarant, shall be entitled to vote at any meeting of the council of owners until such owner has presented evidence of ownership of an apartment in the condominium to the secretary of the board of directors and, in the case of an owner, other than the declarant, which is a corporation, partnership, trust or other entity, until the representative or representatives acting on behalf of such owner have presented evidence of their power and authority to act on behalf of such owner. In the event that ownership interest in an apartment is owned by more than one member of the council of owners, the members who own fractional interests in such apartment aggregating more than fifty percent (50%) of the whole ownership thereof shall appoint one member who shall be entitled to vote the vote of that apartment at any meeting of the council of owners. Such designation shall be made in writing to the board of directors and shall be revocable at any time by actual notice to the board of directors or upon the death or judicially declared incompetence of any one of such members. In the event that an apartment is owned by more than one member and no single member is designated to vote on behalf of the members having an ownership interest in such apartment, then one of such members shall be allowed to vote and the vote of such apartment so affected shall in all respects be excluded in the determination of whether a requisite number of votes has been cast in respect of the matter being voted upon. All



members of the council of owners may be present at any meeting of the council of owners and may act at such meetings either in person or by proxy.

## ARTICLE II.

### Meetings

2.01. Annual Meetings. The first meeting of the members of the council of owners shall be held when called by the initial board of directors upon not less than ten (10) nor more than fifty (50) days written notice to the members. Such written notice may be given at any time but must be given not later than thirty (30) days after at least fifty percent (50%) of all of the apartments have been sold by the declarant, a deed therefor recorded and the purchase price paid. Thereafter, an annual meeting of the members of the council of owners shall be held in the building or at such other place as may be designated by the board of directors and on such date and time as designated by the board of directors, provided that if no such designation is made, the annual meeting shall be held at 9:00 o'clock a.m. on the first Saturday in March of each calendar year (or the first business day thereafter if such day is a legal holiday). Except as specifically required in these bylaws, no notice of annual meeting shall be required. At the discretion of the board of directors, the annual meeting of the members of the council of owner may be held at such other reasonable time (not more than sixty (60) days prior to or subsequent to the aforesaid date) as may be designated by written notice of the board of directors delivered to the members not less than ten (10) nor more than fifty (50) days prior to the date fixed for said meeting.

2.02. Notice. Any notice permitted or required to be given to a member of the board of directors or to an owner may be delivered personally, by mail or by placing such notice in the mail distribution facilities of each owner if such facilities are present in the building. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after deposit in the U.S. Mail postage prepaid, addressed to an owner at his or her apartment or to such other address as the owner may have given in writing to the secretary of the council of owners for the purpose of service of notices. Any address for purposes of notice may be changed from time to time by notice in writing to the secretary. For the purpose of determining the members entitled to notice of a meeting and to vote at any meeting, the membership of the council of owners shall be determined at the close of business on the twenty-fifth (25th) day preceding such meeting.

2.03. Special Meetings. Special meetings of the members of the council of owners may be called by the president or any vice president of the council of owners at any time and shall be called upon petition to the president by members having ten percent (10%) of the votes in the council of owners or by a majority of the board of directors. Written or printed notice stating the place, day and hour of such special meeting and the purpose or purposes for which the meeting is called shall be delivered to each member not less than ten (10) nor more than fifty (50) days before the date of such meeting.

2.04. Quorum. Members holding an aggregate of twenty percent (20%) of the votes entitled to be cast, represented in person or by proxy, shall constitute a quorum for holding any meeting of the council of owners. If, however, such quorum shall not be present or represented at any meeting of the council of owners, the owners present in person or represented by proxy shall have the power to adjourn and reconvene the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such reconvened meeting, at which a quorum shall be present or represented by

proxy, all business may be transacted as was set out in the notification of the original meeting.

2.05. Proxies. At any meeting of the council of owners, votes may be cast in person or by proxy. Proxies must be filed with the secretary of the council of owners at or before the appointed time of each meeting of the council of owners.

2.06. Majority Vote. When a quorum is present at any meeting of the council of owners, the vote, by owners present in person or by proxy at such meeting, of a majority of the votes present and entitled to vote at such meeting (weighted in accordance with their percentage ownership interest) shall decide any question brought before such meeting unless the question is one upon which, by express provision of the act, the declaration or the by-laws, a different vote is required; in which case such express provision shall govern and control a vote on such question.

2.07. Cumulative Voting Prohibited. At all meetings of the council of owners cumulative voting shall not be permitted.

### ARTICLE III.

#### Board of Directors

##### 3.01. Number and Qualification.

(a) Generally. The board of directors shall consist of five (5) persons. Except for the initial directors appointed by Declarant pursuant to Section 3.01(b), the members of the board of directors must be members of the council of owners, spouses of members or in the event that an apartment is owned by a corporation, partnership, trust or other entity, an officer, director, partner, trustee or other legal representative of such entity or other designated representative who resides in the apartment owned by such entity; provided that no officer, partner or other representative of the declarant shall be required to reside in an apartment in order to be a director. The directors shall be elected by the members at the first meeting of the members of the council of owners called pursuant to Section 3.02 above and at each annual meeting thereafter. Subject to the restrictions regarding the automatic resignation of the initial directors contained in Section 3.01(b), if at the initial meeting of the members of the council of owners, the members of the council of owners fail to elect and qualify a new board of directors for any reason, including the lack of a quorum being present, the initial members of the board of directors appointed by the declarant shall continue to act as the board of directors until the members of the council of owners elect and qualify a new board of directors unless provided otherwise in the declaration.

(b) Initial Directors. Declarant shall have the power to appoint and replace three directors who will comprise the initial Board of Directors. None of the initial three directors appointed or replaced by declarant need to meet the requirements set forth below for directors.

(c) The initial directors shall serve from the date of their appointment by declarant until 120 days after 75% of the apartments that may be built and subject to the declaration have been conveyed to owners other than declarant. At such time, any directors appointed by declarant shall resign and their seats shall be filled as otherwise provided for regarding the filling of vacant director positions in Section 3.03

3.02. Election. If at the initial meeting of the members of the council of owners there are still directors appointed by the declarant, then the number of seats open for



election shall be five (5) less the number of seats held by directors appointed by declarant. Half of the available seats shall be elected for a term of two (2) years and the other half shall be elected for a term of one (1) year. Any additional seat remaining as a result of an odd numbered seats being open shall be elected for a term of one year.

If none of the initial directors are in office as of the initial meeting of the members of the council of owners, two (2) directors shall be elected for a term of two (2) years and three (3) shall be elected for a term of one year. Thereafter, at the annual meeting of the members of the council of owners, any seats of directors whose term has expired shall be filled for a term of two (2) years.

The candidates receiving the highest number of votes up to the number of members of the board of directors to be elected shall be deemed elected. All votes shall be cast by written ballot. Members of the council of owners shall not vote cumulatively for the election of directors.

3.03. Removal and Vacancies. The initial directors appointed by declarant may be removed or replaced only by declarant, with or without cause. Otherwise, any director may be removed from the board of directors with or without cause, by vote of owners representing in the aggregate at least sixty-seven percent (67.0%) of the total vote of all apartments weighted in accordance with their percentage ownership interest, by owners voting in person or by proxy at a special meeting called for such purpose or at an annual meeting. In such an event, a successor for such director as has been removed shall be selected by vote of the council of owners. Except as to vacancies provided by removal of directors by vote of the council owners, vacancies in the board of directors occurring between annual meetings of the council of owners shall be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the board of directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

3.04. Compensation and Expenses. No member of the board of directors shall receive any compensation from the council of owners for acting as such but shall be reimbursed for reasonable expenses incurred while serving in such capacity.

3.05. Action by Written Consent. The board of directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the directors. Any action so approved shall have the same effect as though taken at a meeting of the board of directors.

3.06. Organization Meeting. The organization meeting of a newly elected board of directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors so elected at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.

3.07. Regular Meetings. The annual meeting of the board of directors (which may also serve as the organization meeting) shall be held each year immediately following the annual meeting of the council of owners, at the place of such annual meeting of the council of owners, for the election of officers and consideration of any other business that may be properly brought before such annual meeting. 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. Notice of regular meetings shall be given to each director,

personally or by mail, telephone, telegraph, telex or other similar means, at least two (2) days prior to the date named for such meeting.

3.08. Special Meetings. Special meetings of the board of directors may be called by the president and must be called by the secretary at the written request of four (4) of the directors. Not less than three (3) days written notice of the meeting shall be given personally or by mail, telegraph, telex or other similar means, which notice shall state the time, place and purpose of the meeting.

3.09. Waiver of Notice. Any director may waive notice of a meeting before or after the meeting and such waiver, if in writing and signed by such director, shall be deemed equivalent to the giving of notice.

3.10. Quorum. A quorum at board of directors meeting shall consist of a majority of the entire board of directors. Directors present by proxy may not be counted toward a quorum at board of directors meetings. The acts approved by a majority of the directors present in person or by proxy at a meeting at which a quorum is present shall constitute the acts of the board of directors, except where approval by a greater number is required by the declaration or by the by-laws.

3.11. Consent to Action. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

3.12. Nomination. Nomination for election to the board of directors shall be made by a nominating committee which shall consist of a chairman who shall be a member of the board, and two or more owners, who shall have been appointed by the board of directors prior to each annual meeting of the members (except the initial nominating committee whose term commences with the first annual meeting, which shall be determined by the initial board of directors) to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The nominating committee shall make as many nominations for election to the board of directors as it shall in its discretion determine but not less than the number of vacancies that are to be filled. Nominations for election to the board of directors at the first meeting of the members of the council of owners shall be made by the initial board of directors. Nominations may also be made from the floor at any annual meeting.

3.13. Election. Election of the board of directors shall be by secret written ballot, at which election the owners may cast, in person or by proxy, in respect to each vacancy, such votes as they are entitled to exercise under the provisions of the declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting shall not be permitted.

3.14. Powers and Duties. All of the powers and duties of the council of owners existing under the act, the declaration and the by-laws shall be exercised exclusively by the board of directors, its agents, contractors or employees, subject only to approval by owners when such is specifically required. Such powers and duties shall include but shall not be limited to the following, subject, however, to the provisions of the act, the declaration and the by-laws:

- (1) To make and collect assessments against the Owners for the purposes outlined in the Declaration of the Condominium and all of its property and facilities;

(2) to use the proceeds of assessments in the exercise of its powers and duties;

(3) to maintain, repair, replace and operate the condominium;

(4) to purchase insurance upon the condominium and for the protection of the owners as required by, and pursuant to the declaration;

(5) to reconstruct improvements after casualty and further improve the condominium;

(6) to amend the original rules and regulations adopted by the declarant and attached hereto as Exhibit A and to make such other regulations as it deems necessary respecting the use of the condominium;

(7) to from time to time exercise or waive the rights of the first refusal and options granted under the declaration to the council of owners with respect to transfer, lease or other disposition of any apartment or appurtenance thereto in the manner provided by the declaration;

(8) to arrange for and purchase water, sewer, garbage, electrical, chilled water, gas and other necessary utility services for the general common elements and (to the extent not separately metered and charged) for the apartments;

(9) to contract for management of the condominium and to delegate to the managing agent all powers and duties of the board of directors except such as are specifically required by the act, the declaration and the by-laws to have approval of the council of owners; provided, however, the board of directors may not delegate to a managing agent the power to exercise or waive the right of first refusal and option referred to in subparagraph (7) above;

(10) to employ personnel to perform the services required for proper operation of the condominium;

(11) to cause to be kept a complete record of all its acts and affairs and to present a statement thereof to the owners at the annual meeting of the council of owners or at any special meeting when such statement is requested in writing by twenty-five (25) or more of the votes of the council of owners requesting such special meeting; and

(12) to employ an Intergenerational Activities Director.

ARTICLE IV.

Officers

4.01. Executive Officers. The executive officers of the council of owners shall be a president, who shall be a director, a vice president, who shall be a director, a treasurer and a secretary, all of whom shall be elected annually by the board of directors and who may be peremptorily removed by vote of the board of directors at any meeting. Any person may hold two or more offices except the president shall not also be the secretary. The board of directors shall, from time to time, elect such other officers and designate their powers and duties as the board of

501-24 1026



directors shall find to be required to manage the affairs of the council.

4.02. President. The president shall be the chief executive officer of the council of owners and shall have all of the powers and duties which are usually vested in the office of president of an organized association including, but not limited to, the power to appoint committees from among the owners from time to time that, in the exercise of discretion are determined appropriate, to assist in the conduct of the council.

4.03. Vice President. The vice president shall, in the absence or disability of the president, exercise the powers and perform the duties of the president and shall also generally assist the president and exercise such other powers and perform such other duties as shall be prescribed by the board of directors.

4.04. Secretary. The secretary shall keep the minutes of all proceedings of the board of directors and council of owners and shall attend to the giving and serving of all notices to the owners and directors and other notices required by law; shall keep the records of the council of owners, except those of the treasurer; and shall perform all other duties incident to the office of secretary of an organized association and as may be required by the board of directors or the president.

4.05. Treasurer. Except to the extent that such functions are delegated to the managing agent by the board of directors under a management contract for the condominium, the treasurer shall have custody of all property of the council of owners, including funds, securities and evidences of indebtedness and shall keep the books of the council of owners in accordance with generally accepted accounting procedures, and shall perform all other duties incident to the office of treasurer.

4.06. Compensation. The compensation of all officers and employees of the council of owners shall be fixed by the board of directors. This provision shall not preclude the board of directors from employing a director as an employee of the council of owners nor preclude the contracting with a director for the management of the condominium.

#### ARTICLE V.

##### Delegation of Board Duties

5.01. Notwithstanding anything herein contained otherwise to the contrary, the board of directors by resolution duly adopted, may designate one or more committees, which, to the extent provided in such resolution, in the articles of incorporation of this council of owners, or in these bylaws, shall have and exercise the authority of the board of directors in the management of the council of owners. Each such committee shall consist of two or more persons, a majority of whom are directors and the remainder need not be directors. The designation of such committees and the delegation thereto of authority shall not operate to relieve the board of directors, or any individual director, of any responsibility imposed upon it or by law. Any non-director who becomes a member of such committee shall have the same responsibility with respect to such committee as a director who is a member thereof.

5.02. Other committees not having and exercising the authority of the board of directors in the management of the council of owners may be designated and appointed by a resolution duly adopted by the board of directors or by the president hereunto authorized by a like resolution of the board of director or by the articles of incorporation of the council of owners or these bylaws.

Membership on such committees may, but need not be, limited to directors.

#### ARTICLE VI.

##### Records

6.01. The board of directors or the managing agent shall keep or cause to be kept a set of books with a detailed account of the receipts and expenditures affecting the condominium and its administration and specify the maintenance and repair expenses of the general common elements and any other expense incurred by or on behalf of the condominium. The board of directors shall also keep minutes of the proceedings of the members, the board of directors, and committees having any authority of the board of directors and shall also keep at the council of owners registered office or principal office a record of the names and addresses of its members entitled to vote. All books and records of the council of owners, as well as vouchers accrediting and entries made thereon, shall be available for examination by all the owners and mortgagees (or their duly authorized agents or attorneys) at convenient hours on working days. All books and records shall be kept in accordance with generally accepted accounting principles.

#### ARTICLE VII.

##### Amendment

7.01. These by-laws may be amended from time to time by the affirmative vote of members having sixty-seven percent (67.0%) of the number of votes entitled to act upon such matters at a meeting of the council of owners as provided herein. In the event these by-laws are amended, the president, secretary or any vice president of the council of owners is hereby authorized and empowered to execute, acknowledge, verify, swear to, deliver, record and file on behalf and as the act and deed of the council of owners all certificates, documents and other instruments which such officer deems appropriate to evidence, reflect or give notice of any such amendment to these by-laws; and all persons dealing with the council of owners shall be entitled to rely conclusively on the power and authority of such officer and shall not be obligated to independently ascertain or inquire into the validity of any such amendment hereto.

#### ARTICLE VIII.

##### Severability

8.01. 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 to be in full force and effect as if such invalid provision had never been included herein.

#### ARTICLE IX.

##### Indemnity

9.01. The council of owners shall indemnify the board of directors (and each member thereof) and its officers (each of them) against expenses and liabilities (including the cost and expense of defending against any such alleged liability) reasonably incurred by such person or persons by reason of his being or having been an officer or director of the council of owners except in cases where such director or officer is adjudged guilty by a court of competent jurisdiction of willful misfeasance or malfeasance,

bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office. The board of directors shall have the power to determine whether or not the officer or director is entitled to indemnity hereunder.

9.02. The rights of indemnification herein provided may be insured against by policies maintained by the council of owners, 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 council of owners personnel other than directors and officers may be entitled by contract or otherwise under law.

9.03. Expenses in connection with the preparation and presentation of a defense to any claim, action, suit or proceeding of the character described in Section 9.01 hereof may be advanced by the council of owners prior to final disposition thereof upon receipt of any undertaking by or on behalf of the director 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 X.

##### Contracts, Loans, Checks, Deposits and Transactions

10.1 Contracts. Subject to the limitations set forth in the declaration, the board of directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the council of owners. Such authority may be general or confined to the specific instances.

10.02. Checks, Drafts, Etc.. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the council of owners shall be signed by such officer or officers, agent or agents of the council of owners and in such manner as shall, from time to time, be determined by resolution of the board of directors.

10.03. Deposits. All funds of the council of owners not otherwise employed shall be deposited, from time to time, to the credit of the council of owners in such banks, trust companies or other depositories as the board of directors may select.

##### 10.04. Transactions with Members, Directors and Officers.

A. The council of owners may enter into contracts or transact business with one or more of its directors, officers, or an owner or with any firm of which one or more of its directors, officers, or an owner are owners, members or employees, or in which they are otherwise interested, or with any corporation or association in which any of its directors, officers, or an owner are stockholders, directors or officers, members, owners, employees or otherwise interested; and no such contract or other transactions shall be void or voidable or otherwise affected by reason of such directorship, office, membership in, employment by, stock ownership in or other interest in the corporation or association or any such membership in, employment by or interest in such other firm, notwithstanding that the council of owners, director, officer, or an owner having any such position, status or interest with such other firm, corporation or association was present at the meeting necessary to authorize, approve, ratify or otherwise obligate the



council of owners upon such contract or transaction, if Sections (1) and (2) of Paragraph B are satisfied.

B. Paragraph A shall apply only if:

(1) The material facts of the relationship or interest of each such director, officer, or owner are known or disclosed:

(a) To the board of directors and it nevertheless authorizes, approves, or ratifies the contract or transaction by a majority of the directors present at the meeting at which a quorum of directors is present (or unanimously without a meeting), each such interested director not to be counted in the case of a meeting of the board of directors) in determining whether a quorum is present and not to be counted in calculating the majority necessary to carry the vote; or

(b) To the council of owners at an annual meeting or a meeting specially called for such purpose and it nevertheless authorizes, approves or ratifies the contract or transaction by unanimous written consent or by a majority vote (as provided in Section 2.06) of those owners in attendance (in person or by proxy) at a meeting of the council of owners at which a quorum is present, each such interested owner not to be counted for both quorum and voting purposes;

and

(2) The contract or transaction is fair, just and beneficial to the council of owners as of the time it is authorized, approved or ratified by the board of directors or council of owners; provided, however, such contract or transaction shall be presumed to be fair, just and beneficial to the council of owners as of such time of authorization, approval or ratification merely upon the basis of satisfaction of Section (1) of this Paragraph B.

C. This provision shall not be construed to make any director, officer or owner liable to account to the council of owners by reason of such directorship, office, or ownership for any profits realized by, from, or through any such transaction or contract with the council of owners.

D. Nothing herein contained shall create liability with respect to the events above-described, or prevent the authorization, ratification or approval of such transactions or contracts in any other manner permitted by law. This Article X shall not be construed to invalidate any contract or other transaction which would otherwise be valid under the common or statutory law applicable thereto or which would otherwise be valid in the absence of this provision.

E. Paragraph B of this Section 10.04 shall not apply and Paragraph A of this Section 10.04 shall apply to any management agreement, insurance contract, easement agreement, lease or other contract or agreement with the declarant, and/or any person, corporation, partnership or other entity affiliated or related in a business or personal manner to the declarant or any other of the aforesaid companies which is entered into, ratified or assumed by the council of owners or the board of directors on behalf of the council of owners or to which the condominium or any part thereof has heretofore been made subject.

IN WITNESS WHEREOF, these by-laws are adopted by KINGWOOD VILLAGE ESTATES CONDOMINIUMS, Council of Owners, by and through its

duly authorized Managing Agent, to be effective as of the Aug 25  
day of \_\_\_\_\_, 2000.

KINWOOD VILLAGE ESTATES CONDOMINIUMS

By: [Signature]  
Name: Raymond Peters  
Title: VP

Attest:  
Name: [Signature]  
Title: [Signature]



STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on the 25  
 day of Aug, 2000, by Rand Peters VP  
 of the KINGWOOD VILLAGE ESTATES CONDOMINIUMS, Council of Owners, a  
 corporation, on behalf of THE KINGWOOD VILLAGE ESTATES CONDOMINIUMS,  
 Council of Owners.

Jerry Baker  
 JERRY W. BAKER Notary Public in and for  
 the State of Texas  
 NOTARY PUBLIC, STATE OF TEXAS  
 MY COMMISSION EXPIRES  
 AUG. 5, 2003 My Commission Expires:  
Aug 5/03

100-22-100

V705637

**KINGWOOD VILLAGE ESTATES CONDOMINIUMS  
AMENDED AND RESTATED DECLARATION OF CONDOMINIUM**

04/03/02 300729447 V705637 \$1,570.00

THE STATE OF TEXAS §  
  §  
COUNTY OF HARRIS §

KNOW ALL PERSONS BY THESE PRESENTS:

**THIS KINGWOOD VILLAGE ESTATES CONDOMINIUMS AMENDED AND RESTATED DECLARATION OF CONDOMINIUM** (the "Amended and Restated Declaration"), dated as of \_\_\_\_\_, 2002 (the "Effective Date"), is executed by the parties whose signatures are set forth on the signature pages attached hereto for the purposes and considerations herein expressed and pursuant to authority of the Bankruptcy Court Order as hereinbelow defined.

**WHEREAS**, the National Baptist Foundation, Inc., a Colorado corporation ("NBF"), as declarant, filed that certain Kingwood Village Estates Condominiums Declaration of Condominium dated January 30, 1995 (the "NBF Declaration"), under Clerk's File No. R257494, Film Code No. 167033 *et seq.*, of the Condominium Records of Harris County, Texas, creating Kingwood Village Estates Condominiums (the "Regime");

**WHEREAS**, Kingwood Village Estates, L.C., a Texas limited liability company ("KVE"), as successor-in-interest to NBF, filed that certain Condominium Information Statement-Kingwood Village Estates Condominiums dated August 25, 2000 (the "CIS"), recorded under Clerk's File No. U586986, Film Code No. 177104 *et seq.*, of the Condominium Records of Harris County, Texas, attached to which CIS as Exhibit A was that certain Kingwood Village Estates Condominiums Declaration of Condominium (the "Supplemental Declaration"), which appeared to amend, modify and/or supplement the NBF Declaration (the NBF Declaration and the Supplemental Declaration, as heretofore modified by the Corrective Instrument and the Second Corrective Instrument hereinbelow described, are hereinafter collectively referred to as the "Original Declaration");

**WHEREAS**, the Bankruptcy Estate of Kingwood Village Estates, L.L.C., a/k/a Kingwood Village Estates, L.C., a/k/a Kingwood Village Estates Tx, L.C., In Case No. 00-40778-H4-11, *In Re: Kingwood Village Estates, L.L.C., a/k/a Kingwood Village Estates, L.C., Debtor*, pending in the United States Bankruptcy Court for the Southern District of Texas (Houston Division) (the "KVE Bankruptcy Estate"), is the successor-in-interest to KVE, and is successor "Declarant" under the Declaration as confirmed pursuant to the order of the bankruptcy court attached to the hereinbelow referenced Corrective Instrument;

**WHEREAS**, an instrument correcting the Declaration was filed for record by the KVE Bankruptcy Estate, as Declarant, under Clerk's File No. V477690 of the Real Property Records of Harris County, Texas, and Film Code Reference No. 182084 *et seq.*, of the Condominium Records of Harris County, Texas (the "Corrective Instrument");

**WHEREAS**, an instrument correcting the Percentage Ownership Interests of the Owners was filed for record by the KVE Bankruptcy Estate, as Declarant, under Clerk's File No. V568551

of the Real Property Records of Harris County, Texas, and Film Code Reference No. 183025 *et seq.*, of the Condominium Records of Harris County, Texas (the "Second Corrective Instrument");

**WHEREAS**, immediately subsequent to the recording of this Amended and Restated Declaration, Kingwood Village Services, a Texas non-profit corporation ("KVS"), an affiliate of MRC Kingwood, a Texas non-profit corporation ("MRCK"), is purchasing from the KVE Bankruptcy Estate, and the KVE Bankruptcy Estate is conveying to KVS, a substantial number of the Apartments owned by the KVE Bankruptcy Estate (provided, however, that neither MRCK nor KVS is assuming the rights or obligations of Declarant under the Original Declaration and neither MRCK nor KVS is a "Declarant" under this Amended and Restated Declaration), KVS is executing the Management Services Agreement (hereinafter defined and described) with the Council of Owners, and KVS and MRCK join in this Amended and Restated Declaration to acknowledge certain rights and obligations of KVS and MRCK as set forth herein;

**WHEREAS**, the KVE Bankruptcy Estate, as successor Declarant under the Original Declaration, joins in this Amended and Restated Declaration to acknowledge and consent to the termination by this instrument of all Declarant rights under the Original Declaration;

**WHEREAS**, this Amended and Restated Declaration has been approved and declared to be effective by virtue of the final Order Confirming Amended Plan of Reorganization Dated January 3, 2002, Proposed by the Trustees for Kingwood Village Estates, L.L.C. and Village Estates Corporation, as Modified, entered by the Bankruptcy Court, a true and correct copy of which is attached hereto as **Exhibit E** (the "Bankruptcy Court Order"), and Trent L. Rosenthal, solely in his capacity as Chapter 11 Trustee of the KVE Bankruptcy Estate, has executed and recorded this Amended and Restated Declaration pursuant to the authority and mandate of the Bankruptcy Court Order;

**NOW, THEREFORE**, the parties who have executed this Amended and Restated Declaration pursuant to authorization contained in the Court Approval Order, hereby amend and restate the Original Declaration in its entirety, as of the Effective Date, to read as follows:

The real property attached hereto as **Exhibit A** is hereby submitted pursuant to the Texas Uniform Condominium Act (Tex. Prop. C. § 82.001 – 82.164) for the purpose of establishing a Condominium regime, and the parties hereto do hereby adopt, establish, promulgate and impress this Amended and Restated Declaration of Condominium upon such property in accordance with and subject to the terms and provisions hereof. The Condominium regime herein created shall, subject to the provisions hereof that allow amendment of such name, be known as "Kingwood Village Estates Condominiums."

## ARTICLE I

### DEFINITIONS

Section 1.1 Definitions of Terms. When used in this Declaration of Condominium, the words set out below shall have the following meanings:

OFFICE OF  
BEVERLY B. KAUFMAN  
COUNTY CLERK, HARRIS COUNTY, TEXAS

CONDOMINIUM RECORDS OF COUNTY CLERK

(a) **"Apartments"**: A maximum of one hundred twenty-one (121) Condominium apartment units designated on the plats and plans of the Condominium that are attached hereto as **Exhibit D**, the boundaries of which shall be the interior surfaces of the perimeter walls, floors and ceilings of such units and the appurtenant storage closet (including storage closets located on a Balcony) and the exterior surfaces of Balconies; and Apartments shall include the portions of the Building so described and the air space so encompassed, but shall exclude all Common Elements. The term "Apartment" herein has the same meaning as the term "apartment" used in the Texas Uniform Condominium Act. Included within the boundaries of each Apartment, but without limitation, shall be any finishing materials applied or affixed to the interior surfaces of the perimeter walls, floors or ceilings (such as, but without limitation, texture material, paint or floor coverings and carpets); interior walls; all utility pipes, lines, systems, fixtures or appliances within and servicing only that Apartment; and, whether or not within the boundaries of that Apartment, the breaker boxes of such Apartment and all electrical lines and cables located past the point of entry into the breaker boxes of an Apartment. The boundaries of each Apartment shall include the interior surfaces of windows and doors, perimeter window frames and doorframes and the interior surfaces of the storage closet. Interior trim around windows and doors shall be part of each Apartment and shall not be Common Elements. Visible and exposed plumbing fixtures, lines and pipes shall be part of the Apartment in which they are located and shall not be Common Elements. Unless otherwise provided for by law, the area included within the exterior surfaces of Balconies shall be part of the Apartment. The term "exterior surfaces of Balconies" as used in this definition shall mean the area enclosed by (i) two (2) horizontal planes, one plane being the top of the floor surface of the Balcony in question and the other plane being an extension or the surface of the ceiling of the Apartment of which such Balcony is a part, and by (ii) five (5) vertical planes, one plane being the vertical outside exterior surface of the Building on which it is located, as extended across an opening in the exterior wall of the Building on which it is located, and the other planes being the interior surfaces of the walls, including the interior surfaces of the outside retaining wall or guard rail of the Balcony, with all other portions of the Balcony, including the inside exterior wall separating the Balcony from the remainder of the Apartment and the outside retaining wall or guard rail, being Common Elements.

(b) **"Balcony(ies)"**: The portion of an Apartment which consists of an open area covered by the ceiling of the Apartment, but recessed in from the outside exterior wall of the Building, which recessed open area is bounded in part vertically by (i) the vertical plane of the outside exterior surface of the Building, as extended across said opening in the outside exterior wall of the Building, excluding, however, the outside retaining wall or guard rail which is a Common Element, and (ii) an inside exterior wall with sliding glass door or other similar type of entrance way parallel (or diagonal) to the outside exterior wall of the Building and segregating the remaining portion of the Apartment from said open recessed area.

(c) **"Board of Directors"**: The board of directors of the Council of Owners.

(d) **"Buildings"**: Any or all of the two (2) residential Apartment Buildings designed for residential occupancy (known as "Phase One" and "Phase Two") and all other improvements now or hereafter placed on the Property, including the club house and the pool. The location of

REDUCTION 16X CAMERA DESIGNATION MRG1

the Buildings on the Property is set forth on Exhibit D attached hereto and made a part hereof for all purposes.

(e) "Bylaws": The bylaws of the Council of Owners, as amended from time to time.

(f) "Common Areas": The lobbies, hallways, stairs, pool and terrace areas, property and other Common Elements intended to be used for passage or temporary occupancy by persons.

(g) "Common Elements": The Common Elements shall be and include all of the Property except the Apartments as defined herein, and shall include, without limiting the generality of the foregoing, foundations; supporting columns; girders; beams; slabs; supports; dividing walls between two or more Apartments or between Apartments and Common Elements or between Garages; roofs; halls; lobbies; walkways; stairs; stairways; fire escapes; entrances and exits of the Buildings; entryways outside the exterior door(s) of Apartments; basements; grounds; gardens; uncovered parking areas; the clubhouse; the swimming pool and deck; changing rooms; hot tub; workshop; kitchen; guest suites maintained by the Council of Owners; meeting rooms; reception room; managerial and security offices; mailroom; areas used for storage of janitorial supplies; maintenance equipment and materials; electrical lines and cables up to and including the point of entry into the breaker boxes of an Apartment; plumbing pipes and lines installed in the walls of the Buildings or of an Apartment, including chases for plumbing risers; installations of all central services, including power, light, gas and water; underground piping and tubing and air conditioning wells outside of the boundaries of the Apartment; waste collection areas and facilities; elevators; tanks; pumps; motors; tanks; compressors; chases; ducts; risers; driveways; and in general all apparatus and installations existing for the common use or necessary or convenient to the operation, maintenance and use of the Property as a Condominium, including, but not limited to, those which have been designated as "Common Elements," "Limited Common Elements" or Common Areas and facilities on the plats attached hereto; and all repairs and replacements of or additions to any of the foregoing. Each Owner shall own an undivided interest in the Common Elements in accordance with the Percentage Ownership Interests set forth on Exhibit B.

(h) "Common Expenses": All expenses for administration, management and operation of the Condominium and the Regime, and all expenses for repairs, maintenance, additions, alterations, reconstruction and operation of all or any portion of the Common Elements in accordance with the provision hereof, including such reserves as the Board of Directors may from time to time require for repairs to or replacements of Common Elements or for other contingencies. However, each Owner is responsible for the cost of maintenance, repair and replacement of any utility installation or equipment serving only the Owner's Apartment, without regard to whether the installation or equipment is located wholly or partially outside the designated boundaries of the Apartment. Utility installations and equipment include electricity, water, sewage, gas, water heaters, heating and air conditioning equipment other than air conditioning wells, tubing and piping located outside of the boundaries of an Apartment, security equipment and television antennas. Also, each Owner is responsible for the cost of maintenance, repair and replacement of windows and doors serving only the Owner's Apartment, and if applicable, the door serving only the Owner's Garage.

(i) “Common Expenses Charge”: The periodic (e.g., monthly, quarterly, annually or otherwise as the Board of Directors may elect) level assessment (except as set forth in Section 3.8(a) of this Amended and Restated Declaration) made and levied by the Board of Directors against each Owner and his Apartment for Common Expenses and other costs and expenses provided for herein. The term “Common Expense Charge” shall also include Special Assessments unless the context otherwise requires; however, Special Assessments need not be “level” during each period that they are assessed (i.e., they may vary in amount from period to period as the Board of Directors may approve), and RSA Special Assessments need not be prorata across all Apartments in the Condominium. The periodic level of Common Expense Charges may be raised or lowered from time to time by the Board of Directors as herein provided.

(j) “Common Expense Fund”: The accumulated Common Expense Charges and Special Assessments (excluding “RSA Special Assessments” as hereinbelow defined) collected or received by and due and payable to the Council of Owners, together with all charges for use of common recreational facilities and for preparation of resale certificates, statements of unpaid assessments and other charges pursuant to Section 9.9 hereof.

(k) “Condominium”: The Property, the Buildings and all other improvements erected upon and rights appurtenant to the Property and the improvements thereon. The components of the Condominium are further herein classified as Common Elements, Limited Common Elements and Apartments, as defined herein. The legal rights and duties of ownership, use and administration created by the terms of the Texas Uniform Condominium Act, this Amended and Restated Declaration, the bylaws and the Rules and Regulations promulgated thereunder are also a part of the Condominium and are sometimes referred to herein as the “Condominium Regime.”

(l) “Council of Owners” or “Council”: The Kingwood Village Estates Condominiums Council of Owners, an existing Texas non-profit corporation, the members of which are and shall be the Owners of the individual Apartments during the period of their respective ownership. The term “Council of Owners” shall have the same meaning as the term “unit owners association” or “association” in the Texas Uniform Condominium Act.

(m) “Directors”: Members of the Board of Directors.

(n) “Garages”: The exclusive right to use of the enclosed spaces for the parking of vehicles as shown and identified (by number in the Phase One portion and number and letter in the Phase Two portion) on Exhibit C, the boundaries of which shall be the interior surfaces of the perimeter walls, floors, ceilings and doors of such units; and Garages shall include the portions of the structure so described and the air space so encompassed. Garages shall not include any structural support columns, chases for ducts and risers and other portions of the Common Elements which may be included within the Garages designated on Exhibit C and which are not intended or necessary for use in connection with such parking facilities.

(o) “Limited Common Elements”: Those portions of the Common Elements reserved for the exclusive use of the Owners of certain Apartments to the exclusion of the Owners of all

other Apartments, including the covered Parking Spaces or Garages that are or may be made appurtenant to any Apartment from time to time as herein provided.

(p) "Managing Agent": The person, firm or entity which may be selected by the Board of Directors in accordance with the provisions hereof for the purposes of performing any duties, powers or functions of the Board of Directors in connection with the administration, management and operation of the Condominium, including the duly authorized agent or representative of such person, firm or entity. The initial Managing Agent shall be KVS.

(q) "Management Services Agreement": The initial Management Services Agreement to be entered into between the Council of Owners and KVS, as Managing Agent, in the form attached hereto as Exhibit F, as the same may be from time to time amended or replaced by mutual agreement of KVS and the Council of Owners.

(r) "Mortgage": A mortgage, deed of trust or pledge of or a security interest in an Apartment given to a creditor or a seller as security for the repayment of a loan made to or for the benefit of an Owner, or of a deferred portion of the purchase price payable by an Owner for his Apartment or improvements thereof or thereto.

(s) "Mortgagee": The natural person, firm, partnership, corporation, trust or other entity that holds a Mortgage.

(t) "Owner": Any natural person or persons, firm, partnership, corporation, trust, association or other legal entity, or any combination thereof, which owns, of record, an Apartment in the Condominium.

(u) "Parking Spaces": The exclusive right to use of spaces for the parking of vehicles as shown and identified (by number and letter as to Phase One and by number only as to Phase Two) on the attached Exhibit C, excluding any support column and other portions of the Common Elements which may be included within the areas of the Parking Spaces shown on Exhibit C and which are not intended or necessary for use in connection with the parking of vehicles.

(v) "Percentage Ownership Interests": The undivided interests in and to the Common Elements associated with and appurtenant to each Apartment are as set forth on Exhibit B attached hereto and made a part hereof for all purposes. The Percentage Ownership Interests set forth on Exhibit B were calculated on the basis of the stipulated square footage floor area contained in an Apartment as a percentage of the sum of the aggregate stipulated square footage of all of the Apartments (excluding the Guest Suites) in the Condominium. The Owners agree that with respect to the calculation of the Percentage Ownership Interest appurtenant to an Apartment, notwithstanding that such Apartment's actual square footage is different from the stipulated square footage for such Apartment as stated on Exhibit B, the stipulated square footage for such Apartment shall at all times be used to calculate such Apartment's Percentage Ownership Interest.

OFFICE OF  
BEVERLY B. KAUFMAN  
COUNTY CLERK, HARRIS COUNTY, TEXAS

CONDOMINIUM RECORDS OF COUNTY CLERK

(w) "Phase One": The Building shown as Phase One on the plats attached as Exhibit D to this Amended and Restated Declaration.

(x) "Phase Two": The Building shown as Phase Two on the plats attached as Exhibit D to this Amended and Restated Declaration.

(y) "Property": The real property more particularly described in Exhibit A attached hereto and made a part hereof for all purposes. The real property upon which Phase Three (also referred to as Phase III) of the Condominium was to be constructed pursuant to the Original Declaration, which property was described as "Tract 3" on Exhibit A of the Original Declaration and contains 3.6299 acres, is intentionally omitted from the Condominium, and title to such Tract 3/Phase Three property shall remain in the name of the KVE Bankruptcy Estate until duly conveyed by it to a third party and shall be free from all restrictions set forth in the Original Declaration and this Declaration.

(z) "Property Listing Broker": KVS, Texas real estate broker license #494215, will serve as the listing broker as provided in Section 9.10 herein, or the successor (whether a company or individual) to such person as named from time to time by KVS in a written instrument recorded in the Harris County Real Property Records. Only KVS, and not such named Property Listing Broker, shall be entitled to name a successor Property Listing Broker for purposes hereof, and the consent of the then current Property Listing Broker is not required in order for KVS to replace such Property Listing Broker hereunder.

(aa) "Resident Services Agreement": The Contract for Resident Services in the form attached hereto as Exhibit "G" by which KVS is engaged by the Council of Owners to make services available to Owners of Apartments in return for payment by each Owner to the Council of Owners of the applicable scheduled fees therefor (as published to the Owners from time to time by KVS), assessable as RSA Special Assessments hereunder, based on the Lifestyle Services Package selected by such Owner or Resident (as elsewhere herein defined), and payment by the Council of Owners to KVS only upon receipt thereof from the applicable Owner. Renewal of such Resident Services Agreement with KVS after the initial ten-year term will be on the terms contained therein.

(bb) "RSA Special Assessments": Special Assessments made by the Council of Owners against Owners and their Apartments pursuant to Section 3.9 hereof.

(cc) Rules and Regulations. The Rules and Regulations adopted by the Board of Directors or the Council of Owners concerning the management and administration of the Condominium and the use of the Common Elements in order to assure to all Owners the pleasures and benefits of ownership of an Apartment and use of the Common Elements.

(dd) Special Assessment. Any assessment over and above the periodic Common Expense Charge deemed by the Board of Directors to be necessary for the preservation, management and administration of the Condominium, approved by the Council of Owners as hereinafter set forth, and RSA Special Assessments.



(ee) Texas Uniform Condominium Act. Sections 82.001 – 82.164 of the Texas Property Code, as currently modified and as subsequently amended, which permits the creation of Condominium regimes and provides the basic rules for their operation.

(ff) Westminster House. The condominium regime located adjacent to the Condominium, created by that certain Declaration of Condominium for Westminster House Condominiums, recorded under Clerk’s File No. T668764 in the Real Property Records of Harris County, Texas, and under Film Code Reference No. 174093 *et seq.*, of the Condominium Records of Harris County, Texas, as amended by that certain First Amendment to Declaration of Condominium for Westminster House Condominiums dated of even date herewith, recorded on even date herewith in the Condominium Records and/or Real Property Records of Harris County, Texas.

Section 1.2 Definitions of Rights and Responsibilities.

(a) Each Owner shall have the exclusive ownership of his respective Apartment and shall have the common right to share, with all other Owners, in the use of the Common Elements (but as to Limited Common Elements, only those appurtenant to its Apartment) in accordance with the purpose for which they are intended and the provisions hereof and the provisions of the bylaws and of the Rules and Regulations, without hindering or encroaching upon the lawful rights of other Owners.

(b) Where the term “Owner” is used in the granting of licenses, easements or rights to use Apartments, Common Elements or Limited Common Elements, the family of such Owner and each member thereof, and such Owner’s guests, tenants, and invitees shall also be entitled to the rights, easements of licenses so granted, except to the extent limited or provided to the contrary herein or in the Rules and Regulations.

(c) The actual existing physical boundaries of each Apartment (or Apartment reconstructed in accordance with the original plans therefor) shall be conclusively presumed to be its boundaries regardless of settling, rising or lateral movement of the Building in which it is located and regardless of variances between boundaries shown on the plat and those of the Building in which it is located. None of the rights and obligations of the Owners created herein, or by any deed delivered to any Owner, shall be altered in any way by encroachments or the settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist; provided, however, that in no event shall a valid easement or encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful conduct of said Owner or Owners.

Section 1.3 Parking Spaces and Garages.

(a) Those Parking Spaces and/or Garages shown on Exhibit C-1 attached hereto and incorporated herein by reference are permanently made and declared to be appurtenant to the particular Apartment referenced to such Parking Space or Garage on that exhibit. Parking Spaces and Garages made appurtenant to specific Apartments per Exhibit C-1 hereto, and those subsequently made appurtenant to specific Apartments by KVS pursuant to the procedures stated

herein, shall be Limited Common Elements for the exclusive use of the Owner of the Apartment to which they are made appurtenant herein or by the procedures provided for herein. Once any Parking Space or Garage has been made appurtenant to a particular Apartment, such covered Parking Space or Garage, being a Limited Common Element, shall be perpetually appurtenant to the Apartment to which it is assigned, except that the Council of Owners may approve transfer thereof to another Apartment as provided below, and an Owner may temporarily lease any such Parking Space or Garage as provided in this section.

(b) Notwithstanding any language to the contrary in any deed conveying an Apartment, and regardless of whether or not the deed conveying an Apartment specifically references the Parking Space or Garage that has theretofore been made appurtenant to such Apartment (if any), the Parking Space(s) and/or Garage(s) that have been made appurtenant to the particular Apartment as herein provided shall remain appurtenant to such Apartment and shall automatically transfer with title to the Apartment to which it is appurtenant. No Owner may transfer a Parking Space or Garage separate from such Owner's Apartment except to another Owner of an Apartment, thereby making such Parking Space or Garage appurtenant to the Apartment owned by the transferee Owner, which transfer between Apartments may be accomplished only by Deed of Exclusive Use of Parking Space or Parking Garage, in form acceptable to the Council of Owners (a "Parking Deed"), and any conveyance of a Parking Space or Garage in such manner shall be null and void unless made with the express written consent and joinder of the Council of Owners.

(c) An Owner may, during the time such Owner owns his Apartment, temporarily lease a Parking Space or the Garage which is assigned to his or her Apartment but only to either (i) the Council of Owners, or (ii) another Owner, and such lease (from an Owner to the Council of Owners or from an Owner to another Owner, as the case may be) shall terminate upon the earlier to occur of (A) the date upon which any Owner constituting the lessor under such Parking Space or Garage lease ceases to be an Owner of such Apartment, or (B) except when the Council of Owners is the Parking Space or Garage lessee, the date upon which any Owner constituting the lessee under such Parking Space or Garage lease ceases to be an "Owner" (as defined herein) of any Apartment. Notwithstanding the right to exclusive use herein created for Parking Spaces and Garages, such Parking Spaces and Garages shall be and always remain a Common Element. With respect to any such Parking Space or Garage so leased by any Owner to the Council of Owners, the Council of Owners shall have the right to use or sublease such Parking Space or Garage on such terms and conditions as the Board of Directors may, from time to time, determine as set forth in written Rules and Regulations therefor. Certain Parking Spaces may be assigned by KVS to the Council of Owners for its use, at KVS's discretion.

(d) The Parking Areas and Garages not listed on Exhibit C-1 hereto and made appurtenant to particular Apartment therein have been conveyed by the KVE Bankruptcy Estate to KVS on even date herewith, and may be used by KVS for tenants of Apartments owned by it in any order or allocation it sees fit. At the time of KVS's transfer of Apartments, the deed by which such Apartment transfer takes place (or by subsequent Parking Deed which need not be joined in by the Council of Owners), KVS may transfer one or more of the residual Parking Spaces/Garages owned by it to the grantee of such Apartment and thereby make such Parking Space or Garage appurtenant to such Apartment. At such time as KVS's conveyance of the last

Apartment owned by it to a third party who is not an affiliate of MRCK, KVS must convey all remaining Parking Spaces and Garages, if any, to the Council of Owners or to Owners of Apartments. Should the last Apartment owned by KVS be conveyed without it first or simultaneously having so disposed of all of its Parking Spaces and/or Garages, then all Parking Spaces and Garages, if any, not so disposed of in accordance with the requirements hereof shall automatically be deemed transferred to the Council of Owners for no consideration.

(e) All use of a Parking Space or Garage, including the parking of vehicles or storing other property therein, shall be at the sole risk and expense of the Owner so using such Parking Space or Garage, and neither the Council of Owners, the Managing Agent, nor the Board of Directors shall be liable or responsible to any such Owner for any death, injury, loss or damage to any property or person resulting from or occasioned by such use of any Parking Space or Garage, including, without limitation, any death, injury, loss or damage resulting from assault, battery, theft, fire or other casualty or crime.

(f) Parking Spaces and Garages shall be used only for parking of automobiles and shall not be used for the parking or storage of recreational vehicles, boats or trailers unless approved by the Council of Owners. Garages shall not be occupied as living quarters for people or pets or be used for any purpose prohibited by Section 2.1 hereof. No property shall be stored in a Garage which is in violation of the Rules and Regulations or which is extra-hazardous or which would violate Section 2.1(d) below. Each Owner shall, at his own cost and expense, keep the Garage appurtenant to his Apartment clean and free from trash and other debris.

## ARTICLE II

### GENERAL PROVISIONS

#### Section 2.1 Use Restrictions.

(a) All Apartments shall be used only for single-family residential purposes when they are used to house persons and their belongings, without regard to whether the persons are Owners of the Apartment or occupy the Apartment pursuant to a rental, leasing or other arrangement. Except for the leasing or rental of any Apartment as a single-family residence, no Apartment shall be used for any commercial, business, or professional or educational purpose. The use of an Apartment for the maintenance of a personal or professional library; for the keeping of personal, business or professional records or accounts or for the handling of personal, business or professional telephone calls or correspondence shall not be deemed to be in violation of this provision; but regular consultation with clients or customers at an Apartment is prohibited.

(b) There are a total of four (4) guest suites (each, a "Guest Suite"), consisting of Apartments Nos. 223 and 323 in Phase One and Apartments Nos. 225 and 325 in Phase Two, that are owned by the Council of Owners and shall be used in accordance with the terms and provisions of Section 9.8 below.

OFFICE OF  
BEVERLY B. KAUFMAN  
COUNTY CLERK, HARRIS COUNTY, TEXAS

CONDOMINIUM RECORDS OF COUNTY CLERK

10

183061

FILM CODE \_\_\_\_\_

**KINGWOOD VILLAGE ESTATES**

(c) No noxious or offensive activities of any sort shall be permitted, nor shall anything be done in any Apartment or in any Common Element that reasonably shall be or may become an annoyance or nuisance to the other Owners.

(d) Notwithstanding any other provision of this Amended and Restated Declaration to the contrary, the Council of Owners may and hereby reserves, for itself, its agents (including Managing Agent pursuant to any such authority granted by the management contract with the Managing Agent), successors and assigns, the right to make such temporary use of the Apartments owned by the Council of Owners and the Common Elements (including, without limitation, the temporary relocation of Parking Spaces wherever located) as is reasonably necessary to facilitate and complete the construction of the improvements on or in the Property and air space, construction of the Buildings. KVS is hereby granted a similar right, with respect to Apartments owned by it, to (i) complete construction of such Apartments in substantial accordance with the original plans therefor and with customized finishes as desired by the Apartment buyer, and (ii) to use such unoccupied Apartments for the making of any repairs required pursuant to KVS's sales agreements, the operation of KVS's sales efforts with regard thereto, and the showing of the unsold Apartments. The provisions of this Article shall not prohibit the use by the Council of Owners of all Common Elements in any reasonable manner necessary in connection with the operation and maintenance of the Condominium.

(e) Nothing shall be done in or kept in or on any Apartment, Balcony, Parking Space, Garage or Common Element which will increase the rate of insurance on the Condominium or any other Apartment or Limited Common Element over that applicable to similar residential Buildings, or that would result in uninsurability of the Condominium or any part thereof, or the cancellation, suspension, modification or reduction of insurance in or on or covering the Condominium or any part thereof. If, by reason of the occupancy or use of any Apartment or Limited Common Element by any Owner, the rate of insurance on all or any portion of the Condominium shall be increased, such Owner shall be personally liable to the Council of Owners for such increase caused thereby and such sum shall be payable to the Council of Owners at the same time and in the same manner as provided for the payment of Common Expense Charges.

(f) No Owner shall install, attach or hang or allow to be installed, attached or hung, any equipment or wiring or electrical installations, television or radio transmitting or receiving antennas, air-conditioning units or any other like equipment or wiring in or across any portion of any Common Elements; protruding from any Balcony or through any wall, floor, ceiling, window or door which is a Common Element, except as approved by the Council of Owners. All radios, televisions, electrical equipment or appliances of any kind or nature and the wiring therefor installed or used in any Apartment shall fully comply with all rules, regulations or requirements of all state and local public authorities having jurisdiction.

(g) Each Owner shall promptly and fully comply with any and all applicable laws, rules, ordinances, statutes, regulations or requirements of any governmental agent or authority with respect to the occupancy and use of his Apartment and the Limited Common Elements appurtenant thereto and with the provisions hereof, and the By-laws and Rules and Regulations promulgated hereunder.

Section 2.2 Decorations, Maintenance and Repairs of Apartments. Any Owner may decorate and redecorate his Apartment and may make any non-structural improvements or non-structural alterations within his Apartment (but not to Common Elements) and shall have the right to paint, repaint, tile, wallpaper, or otherwise furnish or decorate any interior surfaces of walls, partitions, ceilings and floors within the Apartment. Those portions of a Balcony which are not a part of the Apartment to which such Balcony is appurtenant are Common Elements and shall be maintained by the Council of Owners. Each Owner shall, at his own cost and expense, maintain its Apartment in good condition and repair. The Council of Owners shall maintain all Common Elements, including those serving only a particular Apartment (whether or not within the boundaries of such Apartment), the cost of which shall be a Common Expense (except to the extent that repair to Common Elements serving only a particular Apartment is caused by the negligence or misuse of that particular Owner, in which event such Owner shall be liable to the Council of Owners for the cost of such repair, which sum shall be due and payable upon presentation to such Owner by the Council of Owners of a statement thereof).

Section 2.3 Balconies. No Owner shall paint, remodel or enclose any Balcony or store or place any objects or things of any description whatsoever on such Balcony or dry clothing on such Balcony without the prior written approval of the Board of Directors. Any Owner may furnish a Balcony with outdoor furniture and potted plants, upon prior written approval of the Board of Directors, in keeping with the provisions of this Amended and Restated Declaration and the Rules and Regulations promulgated hereunder.

Section 2.4 Garages. Those portions of the Garage which are Common Elements shall be maintained by the Council of Owners, the cost of which shall be a Common Expense. Each Owner shall at his own expense maintain his Garage in good condition and repair, and shall maintain the door and automatic equipment in good condition and repair.

Section 2.5 Alterations to Common Elements. No Owner shall do any act or permit any act to be done in, on or to any Apartment, Balcony, Parking Space, Garage, or Common Element which will impair the structural integrity, weaken the support or otherwise adversely affect the Buildings or any Common Element. Decorative wall items such as lights, shelves and artwork may be affixed to or installed on the walls of any Apartment which are Common Elements without prior approval of the Council of Owners provided such affixation or installation is done in a good and workmanlike manner. Except for such affixation or installation of decorative wall items, no Owner shall make any alterations to any of the Common Elements (including walls, windows and doors which are Common Elements) nor install, attach paste or nail any article thereto without the prior approval of the Board of Directors or the Council of Owners.

Section 2.6 Additional Provisions. The Board of Directors or the Council of Owners, by provisions of its bylaws or by Rules and Regulations enacted pursuant to the provisions hereof, may provide such additional Rules and Regulations for use of the Common Elements, the Parking Spaces, the Garages and the Apartments as are necessary or desirable in the judgment of the Board of Directors or the Council of Owners for the operation of the Condominium provided such Rules and Regulations and bylaws are not in conflict with the provisions of this Amended

and Restated Declaration or the Texas Uniform Condominium Act. Such bylaws, Rules and Regulations shall be applicable to the Common Elements and the Apartments as though set forth herein at length.

Section 2.7 Minimum Age Requirements. The primary resident of each Apartment shall be at least 55 years old. A person younger than 18 years old will not be a resident of any Apartment; provided that a person younger than 18 years old may be a resident of any Apartment for up to six (6) months with the prior consent of the Board of Directors or Managing Agent, which consent shall be granted only in hardship cases, giving due consideration to the circumstances giving rise to such hardship situation.

Section 2.8 Right to Change Name. KVS shall have the right to change the name of the Condominium at any time until such time as KVS ceases to be Managing Agent or an Owner of an Apartment in the Condominium.

### ARTICLE III

#### HOMEOWNERS' ASSOCIATION

Section 3.1 Authority to Manage.

(a) The affairs of the Condominium and Condominium regime shall be administered by the Council of Owners. The Council of Owners shall have all rights, powers and duties of the "unit owners association" or "association," as those terms are used in the Texas Uniform Condominium Act. The Council of Owners shall have the right, power and obligation to provide for the maintenance, repair, replacement, administration and operation of the Condominium and Condominium regime as provided herein, in the bylaws and in the Rules and Regulations. The business and affairs of the Council of Owners shall be managed by the Board of Directors.

(b) The Board of Directors may engage any entity or person as the Managing Agent under a management agreement. The management agreement may provide for the payment to the Managing Agent of a fee substantially equal to the fees usually paid to managers of similar residential Buildings (whether rental or Condominium) in the Houston, Texas, metropolitan area. The Board of Directors may delegate any of its ministerial duties, powers or functions to a Managing Agent selected 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 ministerial duty, power or function so delegated. Such delegation shall be by written instrument executed by an officer of the Council of Owners upon approval of such management agreement by the Board of Directors. Pursuant to the Management Services Agreement, the Board of Directors has delegated to KVS certain duties, obligations and responsibilities of the Council of Owners as set forth in the Management Services Agreement.

Section 3.2 Membership in the Council of Owners. Each Owner (and only an Owner) shall be a member of the Council of Owners so long as he shall be an Owner and such membership shall automatically terminate when he ceases to be an Owner. Upon the transfer of ownership of an Apartment, the new Owner succeeding to such ownership shall likewise succeed

to membership in the Council of Owners. The Council of Owners may issue certificates of membership therein.

Section 3.3    Voting of Members.

(a) There shall be one vote in the affairs and management of the Council of Owners for each Apartment, weighted in proportion to the Percentage Ownership Interest of such Apartment in the Common Elements as set forth by number and by formula in Exhibit B attached hereto. The Council shall have no voting rights with respect to the Guest Suites. Whenever used in this Amended and Restated Declaration, the term a "Majority Vote of the Council of Owners" means the vote of the majority or the votes entitled to be cast by the members of the Council of Owners who are present, or are represented by proxy, at a meeting of the Council of Owners at which a quorum is present, and "Majority Vote of the Resident Owners" means a vote of those Owners who, on the designated "qualification cut-off date" for such vote (which shall be the date ownership of Apartments is determined for purposes of any meeting of the members of the Council of Owners in accordance with the Bylaws of the Council of Owners), reside in the Apartment owned by such Owner, or who have a person related to them by blood, marriage or adoption who resides, in the Apartment owned by such Owner ("Resident Owners"), and who have the power to vote more than fifty percent (50%) of the combined weighted votes of all Resident Owners in the Council of Owners. For purposes of a meeting of the Council of Owners, the presence of Owners (who are qualified to vote) with an aggregate of twenty percent (20%) or more of the Percentage Ownership Interests of the Condominium shall constitute a quorum. In the event that ownership interests in an Apartment are owned by more than one member of the Council of Owners, the members who own fractional interests in such Apartment aggregating more than fifty percent (50%) of the whole ownership therefor shall appoint one member who shall be entitled to exercise the vote assigned to that Apartment at any meeting of the Council of Owners. Such designation shall be made in writing to the Board of Directors and shall be revocable at any time by actual notice to the Board of Directors or upon the death or judicially declared incompetence of any one of such members. In the event that an Apartment is owned by a corporation, partnership, trust or other entity, such corporation, partnership or other entity shall appoint one representative who shall be entitled to exercise the vote assigned to that Apartment at any meeting of the Council of Owners. Such designation shall be made in writing to the Board of Directors and shall be revocable at any time by actual notice to the Board of Directors. In the event that an Apartment is owned by more than one member and no single member is designated to vote on behalf of the members having an ownership interest in such Apartment, then none of such members shall be allowed to vote and the vote of the Apartment so affected shall be excluded in all respects in determining whether a requisite number of votes has been cast in respect of the matter being voted upon. All members of the Council of Owners may be present at any meeting of the Council of Owners and may act at such meetings (whether physically present or not) either in person or by proxy. Unless a higher percentage of votes is required by the Texas Uniform Condominium Act or other law, all actions of the Council of Owners required to be voted on shall be approved by a majority vote of the Council of Owners attending a meeting at which a quorum of members is present.

OFFICE OF  
BEVERLY B. KAUFMAN  
COUNTY CLERK, HARRIS COUNTY, TEXAS

CONDOMINIUM RECORDS OF COUNTY CLERK

183062

14

FILM CODE \_\_\_\_\_

**KINGWOOD VILLAGE ESTATES  
CONDOMINIUMS AMENDED AND**

(b) If at any time the Council of Owners shall hold legal title to one or more Apartments, the votes to which the Owner thereof otherwise would be entitled shall be disregarded until legal title thereto is conveyed to another Owner.

Section 3.4 Meetings of the Members.

(a) Annual meetings of the members of the Council of Owners shall be held in the Condominium or at such other place and time and on such date as may be designated by the Board of Directors provided that if no such designation is made, the annual meeting shall be at 9:00 a.m. on the first Saturday in March each calendar year (or the first business day thereafter if such day is a legal holiday). Notice of annual meeting shall be given in accordance with the terms of the bylaws. At the discretion of the Board of Directors, the annual meeting of the members of the Council of Owners may be held at such other reasonable time (not more than sixty (60) days prior to or subsequent to the aforesaid date) as may be designated by written notice from the Board of Directors delivered to the members not less than ten (10) days nor more than fifty (50) days prior to the date fixed for said meeting.

(b) At the annual meeting of the members of the Council of Owners, the Board of Directors shall present a certified audit of the Common Expense Fund, itemizing receipts and disbursements for the preceding calendar year and the allocation thereof to each Owner. The estimated Common Expense Charges for the coming calendar year as established in the Annual Budget provided for in Section 4.2(a) below shall also be presented. Within thirty (30) days after the annual meeting, the statements and estimates presented at the annual meeting by the Board of Directors shall be delivered to all Owners to the extent the same have not previously been delivered to all Owners pursuant to Section 4.2(a) or otherwise.

(c) Special meetings of the members of the Council of Owners may be called by the President or any Vice President of the Council of Owners at any time and shall be called upon petition to the President by members having ten percent (10%) of the votes in the Council of Owners or by a majority of the Board of Directors. Written or printed notice stating the place, day and hour of such special meeting and the purpose or purposes for which the meeting is called shall be delivered to each member not less than ten (10) nor more than fifty (50) days before the date of such meeting.

(d) For the purpose of determining the members of the Council of Owners entitled to notice of a meeting and to vote at any meeting, the membership of the Council of Owners shall be determined at the close of business on the twenty-fifth (25<sup>th</sup>) day preceding such meeting.

Section 3.5 Board of Directors.

(a) The Board of Directors shall consist of five (5) persons. The members of the Board of Directors must be members of the Council of Owners, spouses of members or in the event that an Apartment is owned by a corporation, partnership, trust or other entity, an officer, director, partner, trustee or other legal representative of such entity or other designated representative who resides in the Apartment owned by such entity; provided, however, that representatives of KVS or any MRCK affiliate may, while the Management Services Agreement



with KVS remains in effect, serve on the Board whether or not KVS owns any Apartments in the Condominium and whether or not such representative resides in such Apartment. The Directors shall be elected by the members at each annual meeting.

(b) Two (2) Directors shall be elected for a term of two (2) years and three (3) shall be elected for a term of one year. Thereafter, at the annual meeting of the members of the Council of Owners, any seats of Directors whose term has expired shall be filled for a term of two (2) years.

(c) The candidates receiving the highest number of votes up to the number of members of the Board of Directors to be elected shall be deemed elected. All votes shall be cast by written ballot. Members of the Council of Owners shall not vote cumulatively for the election of Directors.

(d) Any Director may be removed from the Board of Directors, with or without cause, by a vote of the Council of Owners representing in the aggregate at least sixty-seven percent (67%) of the total vote of all Apartments, weighted in accordance with their Percentage Ownership Interest, cast by Owners voting in person or by proxy at a special meeting called for such purpose or at an annual meeting. The resulting vacancy shall be filled by a Majority Vote of the Council of Owners. Except as to vacancies created by the removal of Directors, vacancies in the Board of Directors, occurring between annual meetings of the Council of Owners, shall be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

(e) The presence of a majority of Directors at a meeting of Directors shall constitute a quorum for the transaction of business. The action of a majority of Directors present at the meeting at which there is a quorum shall be the act of the Board of Directors. The annual meeting of the Board of Directors shall be held each year immediately following the annual meeting of the members of the Council of Owners, at the place of such annual meeting of the members of the Council of Owners, for the election of officers and the consideration of any other business that may properly be brought before such meeting of the Board of Directors. Regular meetings of the Board of Directors shall be held at such times and places as the Board of Directors shall determine. Special meetings of the Board of Directors shall be held at any time upon the call of the President or upon call by two (2) Directors. Notice of such special meeting of the Board of Directors shall be in writing.

Section 3.6 Actions Without Meetings. Any action required by this Amended and Restated Declaration or by law to be taken at a meeting of the members of the Council of Owners or 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, shall be signed by all of the members of the Council of Owners entitled to vote with respect to the subject matter thereof or signed by all 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.

Section 3.7 Officers. The officers of the Council of Owners shall be elected by the Board of Directors and shall consist of a president, a vice president, a secretary and a treasurer and such other vice presidents, assistant vice presidents, assistant secretaries and assistant treasurers as may be convenient or necessary in the judgment of the Board of Directors for the administration and operation of the Condominium. The president and vice president shall be elected from among the members of the Board of Directors.

Section 3.8 Administration of the Condominium; Common Expense Fund. The Council of Owners, acting through the Board of Directors, its officers or other duly authorized management representatives (including, without limitation, a Managing Agent, which shall initially be KVS pursuant to the Management Services Agreement), shall manage the business and affairs of the Condominium and shall, without limitation, have the powers of collection and enforcement set forth herein; and for the benefit of all of the Owners in the Condominium shall provide, perform, cause to be performed, maintained, acquired, contracted and paid for out of the Common Expense Fund the following:

(a) Utility services used in and for the Common Elements, water and sewer services used by or consumed by the Apartment, but other utility services separately metered or charged to an Owner directly shall be connected and paid for by the Owner of the Apartment served by such utility services; provided, however, that certain utility costs (the "Phase Two Commonly Metered and Allocated Utility Costs") are to be allocated only among and charged only to the Owners of Apartments in Phase two, as a supplemental Common Expense Charge against only those Owners, in proportion to the percentages that each such Owner's Percentage Ownership Interest in the entire Condominium represents of all of the Percentage Ownership Interests of the Phase Two Apartments, as shown on Exhibit B-1. This is because the equivalent charges for heat and air conditioning service inside Apartments in Phase One are separately metered and paid for by those Owners directly. Thus, it would be inequitable to require that the Owners in Phase One pay their own, separately billed, utility charges for air conditioning and heating inside their Apartments and also pay a share of the heat and air conditioning charges for the interior of Apartments in Phase Two. Consequently, each Owner acknowledges and agrees that the Council of Owners may hire an energy usage consultant of its choosing to allocate the common electric and gas bills for Phase Two and determine (through extrapolation) the appropriate portion of such bills that are for usage in the Common Areas of Phase Two (which part of such bills will be included as part of Common Expenses for the entire Regime), and the remainder shall be allocated prorata among Owners of Apartments in Phase Two on a monthly basis as a supplemental Common Expense Charge for Phase Two only (the "Phase Two Supplemental Common Expense Charge"); provided, however, that at such time, if ever, that the geothermal heat system in Phase One is replaced with a gas or electric boiler system, the charges associated with such boiler system shall be made part of Common Expense Charges and the Supplementary Phase Two Common Expense Charge shall be reevaluated and recalculated. The Council of Owners has indicated that it plans to continue to review options and alternatives for metering separately the consumption of utilities for air conditioning and heating service within Apartments within Phase Two, but no particular approach or resolution to this issue can be assured. All calculations made by the Council's independent consultant in good faith shall be final and binding on each Owner in Phase Two.

(b) The insurance required by Section 5.1 hereof and such other policies of casualty, liability and/or other insurance covering persons, property and risks are in the best interest of the Condominium as determined by the Board of Directors.

(c) The services of a Managing Agent and such other persons as the Board of Directors shall, from time to time, determine are necessary or proper to the daily management, operation and maintenance of the Condominium.

(d) All supplies, tools and equipment reasonably required for use in the management, operation, maintenance, cleaning and enjoyment of the Condominium.

(e) The cleaning, maintenance, repairing, reconstruction and replacement of the Common Elements as the Board of Directors shall determine is necessary, subject to the limitations set fort elsewhere herein.

(f) The services of maintenance workers, gardeners, bookkeepers, secretaries and such other persons to the extent necessary for the operation of the Condominium in the manner desired by members of the Council of Owners.

(g) The removal of all trash, garbage and rubbish from central garbage receptacles or other receptacles or other receptacles of the Buildings; including the employment of the services of a garbage collection company or agency, public or private.

(h) Costs of bookkeeping of the accounts of the Council of Owners and the annual audit provided for herein; legal and accounting services and fees of the Council of Owners; premiums for fidelity bonds; taxes or assessments of whatever type assessed or imposed against any of the Common Elements including, without limitation, rentals, fees, assessments and other amounts from time to time owing to the City of Houston or other governmental authorities for paving, curbing and/or use of portions of the street or sidewalk rights-of-way adjoining the Condominium.

(i) Cable television and security guard and patrol services, including contracting with or employing a cable television service company and/or a security guard and patrol service company, provided that the Council of Owners shall not be obligated to contract for or employ a security guard or patrol service company.

(j) The services of an intergenerational activities director.

(k) All costs of preparing, copying, and recording amendments to the Amended and Restated Declaration and costs of preparing and copying amendments to the bylaws and Rules and Regulations, and costs of copying the Amended and Restated Declaration, bylaws and Rules and Regulations.

(l) A reserve fund to provide for the repair and maintenance of capital items and to keep the Common Elements in first-class condition.

OFFICE OF  
BEVERLY B. KAUFMAN  
COUNTY CLERK, HARRIS COUNTY, TEXAS

CONDOMINIUM RECORDS OF COUNTY CLERK

The Board of Directors shall not, without the prior resolution of the Council of Owners adopted by a Majority Vote of the Council of Owners at a meeting of the members thereof, contract or pay out of the Common Expense Fund, for any one items of capital addition or improvement (other than replacement of existing Common Elements) at a cost in excess of Fifty Thousand U.S. Dollars and no/100ths (\$50,000.00). Nothing herein shall authorize the Board of Directors to furnish to any person services primarily for the convenience of any Owner or Owners or any occupant or occupants of any Apartment other than services customarily rendered to all Owners and occupants of Apartments, but it is understood that the RSA Special Assessments may be levied for services ordered from KVS pursuant to the Resident Services Agreement as provided in Section 3.9 hereof. The Board of Directors (including its duly authorized Managing Agent) shall have the exclusive right and obligation to contract for all goods, services and insurance in connection with the administration of the Condominium, payment for which is to be made from the Common Expense Fund.

The Council of Owners, through the Board of Directors, shall have the power and authority to impose charges for the use, rental or operation of common recreational facilities and to require payment of deposits and refundable cleaning fees in connection therewith. Additionally, the Board of Directors shall have the power and authority to impose charges for the preparation of a resale certificate and statement of unpaid assessments in connection with the resale of an Apartment and for furnishing current copies of the Amended and Restated Declaration, bylaws and association rules. The Board of Directors may also impose reasonable charges for preparing, recording or copying amendments to this Amended and Restated Declaration. All of such amounts charged shall be deposited to the Common Expense Fund.

The Board of Directors shall be permitted to enter into a license agreement with the council of owners of Westminster House pursuant to which the members of that council of owners are permitted to use the facilities at the clubhouse and the pool, provided that they agree to follow the Rules and Regulations with respect thereto then in effect, and the council of owners of Westminster House agrees to pay a reasonable fee in connection therewith, as determined by the Board of Directors. Such fee shall not exceed in any year (and may be less than) one-third of the prior year's maintenance costs allocated to the pool and clubhouse.

Section 3.9 RSA Special Assessments. Charges for those individual services or groups of services designated as available to Owners or Residents of Apartments pursuant to the Resident Services Agreement (such available services under the Resident Services Agreement being herein called the "RSA Services") shall be levied and assessed to the Owner of the Apartment and secured by a lien against the Owner's Apartment as RSA Assessments under this Declaration. RSA Services do not include Home Health services, which may be made available by a Home Health provider only pursuant to a separate contract between the individual Apartment Owner and a Home Health provider and separate payment arrangements that do not involve the Council of Owners. For purposes hereof, "Home Health" means home and community based healthcare and related services that can be provided only under a license issued pursuant to the laws of the State of Texas. Charges for Home Health pursuant to such separate contract arrangements shall not be secured by the assessment lien provided in this Declaration. RSA Services shall be billed by the Council of Owners to the Owner of the Apartment whose Owner or Resident ordered them, in accordance with the terms of Section 4.2 hereof, based on

REDUCTION 16X CAMERA DESIGNATION MRG1

the types of, and KVS published charges for, such RSA Services. Such RSA Special Assessment funds shall be kept separate from the Council of Owners' Common Expenses fund, and its other Special Assessments, and shall be promptly paid over by the Council of Owners to KVS as provided in the Resident Services Agreement.

Section 3.10 Accounting and Audit. The Board of Directors shall keep or cause to be kept books of detailed account of the receipts and expenditures affecting the Condominium and its administration and specifying the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Condominium or the Council of Owners. Both the books of accounts and all vouchers supporting the entries made therein shall be available for examination at the office of the Council of Owners by all Owners at convenient hours on working days and the Board of Directors shall cause to be established and announced for general knowledge the days and hours within which such books shall be available for inspection. All such books and records shall be kept in accordance with generally accepted accounting procedures, consistently applied, and shall be audited at least once a year by an outside auditor selected by the Board of Directors. Copies of the audit will be made available to the Owners.

Section 3.11 Right of Entry. The Council of Owners, or its duly authorized representative (including any then acting Managing Agent), shall have the right and authority to maintain a master key to the Apartments and to enter any Apartment for the purposes of:

- (a) Making repairs therein.
- (b) Performing necessary maintenance or repairs to the Common Elements for which the Council of Owners is responsible.
- (c) Abating any nuisance or any dangerous, unauthorized, prohibited or unlawful activity being conducted or maintained in such Apartment (including, without limitation, removal of the objects placed upon or stored on any Balcony without the prior written approval of the Board of Directors.
- (d) Protecting the property rights and welfare of other Owners.
- (e) Enforcing the provisions of this Amended and Restated Declaration, the bylaws or the Rules and Regulations promulgated hereunder.
- (f) Preventing or terminating waste of water purchased by the Council of Owners as a Common Expense.
- (g) Performing maintenance and repairs of the Condominium that, if not performed, may result in increased damage by water to components of the Condominium that the Council of Owners maintains.

Except in the event of an emergency, such right of entry shall be exercised only in the presence of the Owner or other occupant of the Apartment which is entered. In all events, such

right of entry shall be exercised in such manner as to avoid any unreasonable or unnecessary interference with the possession, use or enjoyment of the Apartment by the Owner or occupant thereof and shall, whenever possible, be preceded by reasonable notice to the Owner or occupant thereof. In the event that any damage is caused to the property of any Owner in connection with the exercise of such right of entry, such damage shall be repaired at the expense of the Council of Owners and the Board of Directors is authorized to expend Common Expense Funds therefor. The rights of entry herein granted to the Council of Owners or its duly authorized representative shall be accomplished by and exercised subject to such methods and procedures as are set forth in the Rules and Regulations.

Section 3.12 Notices. Any notice permitted or required to be given to a member of the Board of Directors or to an Owner may be delivered personally, by mail or by placing such notice in the mail distribution facilities of each Owner if such facilities are present in the Buildings. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after deposit in the U.S. Mail postage prepaid addressed to an Owner at his Apartment or to such other address as the Owner may have given in writing to the secretary of the Council of Owners for the purpose of service of notices. Any address for purposes of notice may be changed from time to time by notice in writing to the secretary of the Council of Owners.

Section 3.13 Electrical Service Obligations. The Council of Owners shall maintain all pre-wired modular-type metering cabinets installed in the Condominium, including the maintenance of replacement parts with respect thereto, it being understood that the electric company servicing the Condominium (the "Electric Company") will not maintain any such spare parts nor perform any repairs on such modular-type metering cabinets and that failure by the Council of Owners to timely repair such modular metering cabinets (or maintain an adequate number of spare parts with respect thereto) may result in termination of electrical service to the Condominium (or a particular Apartment) until such repairs are completed or such spare parts obtained. To the extent required by any contract covering electrical service to the Condominium, the Electric Company and the Council of Owners assume all responsibility on their respective sides of the point of delivery for the electric service supplied and taken, as well as for any apparatus used in connection therewith. For the mutual protection of the Council of Owners and the Electric Company, only authorized employees of the Electric Company are permitted to make and energize the connection between the Electric Company service wires and the Condominium's service entrance conductors. To the extent required by any contract covering electrical service to the Condominium, the Electric Company and the Council of Owners shall save the other harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from the safe installation, repair and condition of their respective lines and appurtenances on their respective sides of the point of delivery. The Council of Owners hereby adopts all existing contracts and agreements with the Electric Company covering electrical service to the Condominium and assumes and agrees to pay and/or perform all obligations of the customer hereafter accruing.

Section 3.14 Owner Information. Not later than thirty (30) days after the date of acquiring an interest in an Apartment, the Owners shall provide the Council of Owners with:

OFFICE OF  
BEVERLY B. KAUFMAN  
COUNTY CLERK, HARRIS COUNTY, TEXAS

CONDOMINIUM RECORDS OF COUNTY CLERK

- (a) the Owner's mailing address, telephone number, and driver's license number, if any.
- (b) the name and address of the holder of any lien against the Apartment, and any loan number.
- (c) the name and telephone number of any person occupying the Apartment other than Owner.
- (d) the name, address and telephone number of any person managing the Apartment as agent of the Owner.

An Owner shall notify the Council of Owners not later than the thirtieth (30<sup>th</sup>) day after the date the Owner has notice of a change in any information listed above, and shall provide the information on request by the Council of Owners from time to time.

Section 3.15 Joint Campus Coordinating Council. In addition, the Board of Directors shall serve on the Joint Campus Coordinating Council (the "JCCC") to be established by KVS for the purpose of maintaining the quality and high standard for the property, to coordinate certain activities and to promote cooperation between the Condominium and the Westminster House Condominiums (the condominium regime currently located adjacent to the Condominium). The Council will develop reasonable rules and policies and procedures to be in effect for any agency or individuals soliciting or providing services to residents of the Condominium.

#### ARTICLE IV

#### COMMON EXPENSE FUND; ASSESSMENTS; COLLECTIONS

Section 4.1 Common Expense Charges. Except as provided in Sections 4.2 and 4.3 hereof, all Owners are bound to contribute, in proportion to their Percentage Ownership Interests, to the Common Expense Fund as a Common Expense Charge, the Common Expense and other expenses provided by the terms hereof to be paid by the Council of Owners or those expenses agreed upon to be assumed by the Council of Owners pursuant to this Amended and Restated Declaration, its bylaws and Rules and Regulations. No Owner shall be exempt from the obligation to make such contribution to the Common Expense Fund by waiver of the use or enjoyment of the Common Elements, either general or limited, or by abandonment of the Apartment belonging to him, or under any other circumstances.

Section 4.2 Budgets, Establishment of Common Expense Charges and Special Assessments.

- (a) The fiscal year of the Council of Owners shall be a calendar year, unless another period is established by an amendment to the bylaws.
- (b) The Board of Directors shall establish an annual budget in advance of each fiscal year, and such budget shall project all Common Expenses for the forthcoming year that may be

required for the annual operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies and reserves for repairs to or replacements of Common Elements (the "Annual Budget"). The Common Expense Charge for such year and the frequency of collection (e.g., monthly, quarterly, annually or otherwise) shall be established by the adoption of such Annual Budget by the Board of Directors. Copies of each such budget shall be delivered to each Owner by such reasonable means as the Board of Directors may provide. Each Owner will be required upon closing the purchase of an Apartment from KVS to prepay Common Expense Charges (calculated on the basis of such Owner's Percentage Ownership Interest and the initial Common Expense assessment) to the Common Expense Fund for the period required by such Owner's contract of purchase, and, following the expiration of such prepayment period, such Owner shall be required to pay such Common Expense Charge (based on the Initial Budget) to the Common Expense Fund monthly in advance. In the event that the Board of Directors at any time determines that the Common Expense Charges levied with respect to any fiscal year are or may prove to be insufficient to pay the Common Expense for such fiscal year or in the event of casualty losses, condemnation losses or other events (including non-payment of Common Expense Charges by some Owners) which require additional funds be supplied for preservation and operation of the Condominium, the Board of Directors shall have the authority at any time or from time to time to increase the amount of Common Expense Charge or to levy such Special Assessment as it shall deem necessary for that purpose. Except as provided in Section 6.2 hereof to the contrary and except for RSA Special Assessments and expenses that are not within the reasonable control of the Board of Directors (for example utility costs, taxes or insurance), no such increase in the Common Expense Charge or a Special Assessment shall be levied without the prior resolution of the Council of Owners adopted by a Majority Vote of the Council of Owners, unless a greater number of votes is required by law; provided that the amount of Common Expense Charges or Special Assessments levied for any fiscal year (without limitation of the amount of increases that shall be permitted with respect to RSA Special Assessments, or under Section 6.2, or for uncontrollable expenses) may be increased from time to time during such fiscal year by the Board of Directors without obtaining any approval of the Council of Owners as long as the aggregate amount of such increases do not exceed an amount equal to ten percent (10%) of the initially levied Common Expense Charges for such fiscal year. The foregoing sentence shall not be in effect during calendar year 2002, but shall be in full force and effect commencing January 1, 2003, and thereafter.

(c) The failure or delay of the Board of Directors to prepare any Annual Budget or to deliver copies of such budget to each Owner shall not constitute a waiver or release in any manner of any Owner's obligation to pay Common Expense Charges whenever the same shall be determined, and in the event of any delay or failure to establish any Annual Budget each Owner shall continue to pay Common Expense Charges, in advance, at the rate and at the frequency established for the previous period until a new Annual Budget is established.

(d) Not included in the Initial Budget will be RSA Special Assessments billed by the Council of Owners on behalf of KVS as provided in Section 3.9 hereof. KVS will offer one or more packages of Lifestyle Services, each of which will offer a menu of services that will be provided to Owners of Apartments either in a package or on an "a la carte" basis. Ordering of Lifestyle Services provided for in the Resident Services Agreement is not mandatory for any Owner. Each Owner shall be obligated to pay for the monthly fees for the Lifestyle Services



Package(s) and "a la carte" services ordered pursuant to the Resident Services Agreement by the Owner or other Resident of such Apartment, including applicable sales taxes chargeable thereon, if any. For purposes hereof, "Resident" means any Owner (whether or not an occupant) of a particular Apartment in the Condominium, and any other occupant of the Apartment, including a person leasing the Apartment if that tenant is related to the Owner by blood or marriage, with respect to whom the Owner of the Apartment gives a written authorization to the Council of Owners for such person to be considered a Resident for purposes hereof. All such fees shall be paid as the RSA Special Assessments and the payments shall be secured the same as other Special Assessments as set forth in this Declaration. For purposes hereof, "Tenant" means any individual or individuals occupying an Apartment in the Condominium under a bona fide lease agreement and who is not related by blood or marriage to the Owner of such Apartment. No person other than a Resident (including an Owner) will have power or authority to order Lifestyle Services that are assessable as RSA Special Assessments hereunder. If there is a conflict between orders received by the Council of Owners from an Owner and a Resident of the same Apartment, the Owner's orders shall control. Notwithstanding anything in this Amendment to the contrary, an Owner shall not be obligated to pay for fees incurred by a Tenant of such Owner's Apartment for Lifestyle Services provided by KVS to such Tenant (and such fees shall not be assessable as an RSA Special Assessment that is subject to the assessment lien set forth in this Declaration); the fees therefor being the sole obligation of the Tenant. If an Apartment has more than one Owner, each Owner shall be jointly and severally liable for paying the RSA Special Assessments applicable to that Apartment. The Council of Owners shall prepare for each Owner receiving (or whose resident or occupant is receiving) RSA Services, on a monthly basis, a separate RSA Special Assessment invoice relating to such RSA Services. KVS, the Council of Owners and the Owners acknowledge and agree that the charges billed by the Council of Owners, on behalf of KVS, to each Owner as an RSA Special Assessment being provided to such Owner (or resident or occupant of such Owner's Apartment) fluctuate from month to month depending on the RSA Services being provided to the Owner or a resident or occupant of such Owner's Apartment during the month in question. Upon an Owner entering into an agreement for RSA Services with KVS, KVS or the Managing Agent shall promptly forward to the Board of Directors a summary stating the amount of such Owner's RSA Special Assessment based on the cost of the RSA Services selected. Such RSA Special Assessment shall be billed monthly to the Owner as set forth in this paragraph. The Board shall be notified promptly in the event of any change to the amount of such Owner's RSA Special Assessment. Owners desiring to order additional services from KVS, or discontinue services previously ordered (which, once ordered, will continue until terminated), shall send written notice of such order to KVS at the management office of the Managing Agent, who shall maintain such information for the Council of Owners in its role as its Managing Agent. Increases in charges under the Resident Services Agreement shall be posted in a public location in the Condominium (such as in the clubhouse) and transmitted by KVS in writing to the Owners at their respective Apartment units, or other address for notice that they maintain with the Council of Owners, by hand delivery (if at the Apartment) or by regular mail (at the Apartment address or other applicable address) and shall take effect when stated in the notice but no sooner than the thirtieth (30<sup>th</sup>) day after posting and mailing (or hand delivery) by KVS, regardless of whether actually received by a particular Owner.

Section 4.3 Payment of Common Expense Charges and Special Assessments. Common Expense Charges shall be due and payable periodically (e.g., monthly, quarterly, annually or otherwise) in advance as established by the Board of Directors. Special Assessments shall be payable on or before ten (10) days after Owners are invoiced therefor. Payment of Common Expense Charges and Special Assessments shall be in default if such Common Expense Charges and Special Assessments, or any part thereof, are not paid to the Council of Owners on or before the due date for such payment. Common Expense Charges and Special Assessments in default shall bear interest from the date of delinquency until paid at a per annum rate established from time to time by the Board of Directors, which rate (taking into account any late fees or delinquency charges) shall in no event exceed the maximum lawful rate of interest which may be charged. The Board of Directors shall also have the right, in its discretion, by appropriate resolution of the Board of Directors, to establish late fees or delinquency charges to be imposed in addition to the interest to which delinquent Common Expense Charges and Special Assessments are subject. Each Owner (whether one or more persons) shall be personally liable for the payment of all Common Expense Charges and Special Assessments, interest and late fees (or delinquency charges) that may be levied against such Owner and his Apartment pursuant to the provisions hereof.

Section 4.4 Enforcement. In order to secure the payment of the Common Expense Charges and Special Assessments levied hereunder (including interest, late fees or delinquency charges), an express contractual lien shall be and is hereby imposed and impressed upon and reserved and to each Apartment and assigned to the Council of Owners, without recourse, which lien shall be enforceable through appropriate judicial or non-judicial proceedings by the Council of Owners or any lender of the Council of Owners. By acquiring an Apartment, an Owner grants to the Council of Owners a power of sale in connection with the Council of Owners' lien. The Council of Owners shall exercise the power of sale pursuant to Section 51.002 of the Texas Property Code, and by written resolution, the Board of Directors may appoint, from time to time, an officer, agent, trustee or attorney of the Council of Owners to exercise the power of sale on behalf of the Council of Owners. All costs of foreclosure(s) may be added to the amount owed by the Owner to the Council of Owners. Subject to applicable law that cannot be waived in a condominium declaration, an Owner may not petition a court to set aside a sale solely because the purchase price at foreclosure sale was insufficient to fully satisfy the Owner's debt. The Council of Owners may bid for and purchase the Apartment at the foreclosure sale as a Common Expense. The Council of Owners may own, lease, encumber, exchange, sell or convey an Apartment. To the extent allowed by law and as herein provided, said express liens shall be subordinate to (a) a lien for real property taxes and other governmental assessments or charges against the Apartment, (b) a lien or encumbrance recorded before the Original Declaration was recorded, (c) a first vendor's lien or first deed of trust lien recorded before the date on which the assessment sought to be enforced becomes delinquent, and (d) a lien for construction of improvements to the Apartment or of an assignment of the right to insurance proceeds on the Apartment if the lien or assignment is recorded or duly perfected before the date on which the assessment sought to be enforced becomes delinquent. No foreclosure of a superior lien upon an Apartment shall operate to cut off or extinguish said express contractual liens in favor of the Council of Owners except as to those amounts secured thereby which become due and payable prior to such foreclosure upon the applicable Apartment, and the purchaser at any such foreclosure sale shall acquire title to such Apartment burdened by and subject to such express

contractual lien as to all Common Expense Charges and Special Assessments made with respect to such Apartment after such foreclosure. The collection of such Common Expense Charges and/or Special Assessments may be enforced, in addition to any other applicable method at law or in equity, including foreclosure, by suit for a money judgment and in the event of such suit, the expense incurred in collecting such delinquent assessment, including interest, costs and attorney's fees shall be chargeable to and be a personal obligation of such defaulting Owner. Except in the circumstances in which a good faith dispute exists as to the amount of the Common Expense Charges or any Special Assessment for which the Owner is liable, an Owner in default in the payment of any Common Expense Charge or any Special Assessments shall not be entitled to vote at any meeting of the Council of Owners so long as such default exists, and the vote of the Apartment so affected shall be excluded in all respects in determining whether a requisite number of votes has been cast in respect of the matter being voted upon.

Section 4.5 Right of Redemption. For so long as such is required by the laws of the State of Texas, the Owner of an Apartment purchased by the Council of Owners at a foreclosure sale of the Council of Owners' lien for assessments may redeem the Apartment not later than the 90<sup>th</sup> day after the date of the foreclosure sale. To redeem the Apartment, the Owner must pay to the Council of Owners all amounts due the Council of Owners at the time of the foreclosure sale, interest from the date of the foreclosure sale to the date of redemption at the rate provided by the Declaration for delinquent assessments, reasonable attorney's fees and costs incurred by the Council of Owners in foreclosing the lien, any assessment levied against the Apartment by the Council of Owners after the foreclosure sale, and any reasonable costs incurred by the Council of Owners as Owner of the Apartment, including costs of maintenance and leasing. On redemption, the Council of Owners shall execute a deed to the redeeming Owner. The exercise of the right of redemption is not effective against a subsequent purchaser or lender for value without notice of the redemption after the redemption period expires unless the redeeming Owner records the deed from the Council of Owners or an affidavit stating that the Owner has exercised the right of redemption. An Apartment that has been redeemed remains subject to all liens and encumbrances on the Apartment before foreclosure. All rents and other income collected from the Apartment by the Council of Owners from the date of foreclosure sale to the date of redemption belong to the Council of Owners, but the rents and income shall be credited against the redemption amount. If the Council of Owners purchases an Apartment at a sale foreclosing its lien, the Council may not transfer ownership of the Apartment during the redemption period to a person other than a redeeming Owner. If new laws regarding a condominium unit owner's redemption are enacted and compliance with such laws becomes mandatory, this provision is deemed to be amended to conform to such new laws.

Section 4.6 Common Expense Fund. The Common Expense Charges collected shall be paid into the Common Expense Fund to be held and used for the benefit directly or indirectly, of the Condominium; and such Common Expense Fund may be expended by the Board of Directors for the purposes set forth herein, including, without limitation, providing for the enforcement of the provisions of this document, the bylaws of the Council of Owners and Rules and Regulations promulgated thereunder, for the maintenance, operation, repair, benefit and welfare of the Common Elements, and generally for doing those things necessary or desirable in the opinion of the Board of Directors to maintain or improved the Condominium. The use of the Common Expense Fund for any of these purposes, except as provided herein, is permissive and

not mandatory, and the decision of the Board of Directors with respect thereto shall be final, so long as made in good faith.

Section 4.7 Capital Loans to the Council of Owners. Pursuant to Section 82.102(a)(17) and (20) of the Texas Uniform Condominium Act, the Council of Owners may, from time to time, obtain loans from KVS or MRCK or any other lender to be used for costs of deferred maintenance and capital repairs and improvements in and around the Condominium (each, a "Capital Loan"). As security for the repayment of such Capital Loans, the Council of Owners may (i) grant to the lender a lien on the Council's right to receive Common Expense and Special Assessment payments from the Owners (i.e. accounts receivable) relating to the Special Assessments billed to Owners relating to the repayment of a Capital Loan) and (ii) assign to the lender the Council's contractual lien established by this Amended and Restated Declaration, including, but not limited to, the Council's right of foreclosure with respect to such lien. In the event that KVS or MRCK desires to foreclose on a lien against an Owner's Apartment for such Owner's default in payment of a Special Assessment relating to repayment of a Capital Loan and, at the same time, the Council of Owners has the right and desire to foreclose on the same Owner's Apartment pursuant to the Council of Owner's lien against such Owner's Apartment for Common Expense charges, KVS or MRCK, as applicable, shall have the priority right to enforce its lien; provided, that the Council of Owners may bid for and purchase such Owner's Apartment at KVS's or MRCK's foreclosure sale; provided further, that if, and for so long as, a Capital Loan from KVS or MRCK is outstanding, all net re-sale proceeds and net rental income arising from the sale or rental of such Apartment shall be held by the Council of Owners in a special, segregated reserve account for the repayment of such Capital Loan. With respect to a Capital Loan, the Council of Owners will establish Special Assessments to cover the principal and interest payments to be made by the Council of Owners to the lender under the respective Capital Loan. The Council of Owners agrees to utilize all payments received as Special Assessments for a Capital Loan for the repayment of such Capital Loan. An Owner's failure to pay such Special Assessments in accordance with the terms of this Article IV shall permit the lender to enforce all of the rights of the Council regarding its lien on the Apartment of such defaulting Owner. The lender of a Capital Loan may enforce its right either directly or through the Council of Owners, as agent for such lender. The Council agrees, upon written request from a lender, to enforce its (and the lender's) remedies for default in payment of a Special Assessment. Lender's rights hereunder shall continue until the respective Capital Loan (including all accrued interest) has been repaid in full.

## ARTICLE V

### INSURANCE

Section 5.1 General Provisions. The Board of Directors shall have authority to and shall obtain insurance for the Condominium as follows:

(a) Insurance on the Buildings, including the Apartments and the Common Elements, against loss or damage by fire and loss or damage by all risks now or hereafter embraced by the Texas Multi-peril Form TxMP 131 or, if such policy form is not available or the Board of Directors elects to use a substitute form, any similar extended coverage policy or endorsement

thereto designed for insuring Condominium regimes in the State of Texas (with vandalism and malicious mischief endorsements), in amounts sufficient to prevent the Council of Owners or the Owners from becoming a co-insurer within the terms of the applicable policies, but in any event in an amount not less than the full insurable replacement cost therefor. The "full insurable replacement cost" of the Buildings, including the Apartment and the Common Elements, shall be determined from time to time but not less often than once in a thirty-six-month period by the Board of Directors, and the Board of Directors shall have the authority, but shall not be required, to obtain and pay for an appraisal by a person or organization selected by the Board of Directors in making such determination. The cost of any and all such appraisals shall be borne by the Common Expense Fund.

(b) Insurance on the Buildings, including the Apartments and Common Elements, against all loss or damage from explosion of boilers, heating apparatus, pressure vessels and pressure pipes installed in, on or about said Buildings, without co-insurance clause, so long as available, in such amount as the Board of Directors may deem desirable.

(c) Comprehensive public liability and property damage insurance against claims for personal injury or death or property damage suffered by the public or any Owner, the family, agent, employee, lessee or invitee of any Owner, occurring in or as a result of the use, ownership, and maintenance of the private driveway, roadways, walkways and passageways, or the Common Elements adjoining the Condominium. This public liability and property damage insurance shall afford protection to such limits as the Board of Directors may deem desirable but shall in any case be no less than \$1,000,000. Such liability and property damage insurance policy shall contain a cross-liability endorsement wherein the rights of named insured under the policy or policies shall not prejudice his, her or their action or actions against another named insured. The liability policy must provide that each Owner is an insured person under the policy with respect to liability arising out of the person's ownership of an undivided interest in the Common Elements or membership in the Council of Owners.

(d) Such workman's compensation insurance as may be necessary to comply with applicable laws.

(e) Employers' liability insurance in such amount as the Board of Directors shall deem desirable.

(f) Fidelity bonds indemnifying the Council of Owners, the Board of Directors and the Owners from loss of funds resulting from fraudulent or dishonest acts of any employee of the Council of Owners or of any other person handling the funds of the Council of Owners in such an amount as the Board of Directors may deem desirable.

(g) Such other insurance in such reasonable amounts as the Board of Directors shall deem desirable.

(h) The premiums for all insurance acquired on behalf of the Council of Owners or the Owners pursuant to the provisions hereof shall be borne by the Common Expense Fund.

(i) All insurance provided for under this Section 5.1 shall be effected under valid and enforceable policies issued by insurers of recognized responsibility authorized to do business in the State of Texas and shall:

(1) contain standard Mortgagee clause endorsements in favor of the Mortgages or Mortgagees of each Apartment, if any, as their respective interest may appear;

(2) be without contribution with regard to any other such policies of insurance carried individually by any Owner, whether such other insurance covers the Apartment owned by such Owner and/or the additions and improvements made by such Owner to his respective Apartment;

(3) provide that such policy shall not be terminated for non-payment of premiums or for any other cause without at least thirty (30) days prior written notice to the Council of Owners and at least ten (10) days prior written notice to the Mortgagee of each Apartment;

(4) provide that the insurer waives its right to subrogation under the policy with respect to liability arising out of an undivided interest in the Common Element or membership in the Council of Owners;

(5) provide that no act or omission of an Apartment Owner, unless within the scope of the Apartment Owner's authority on behalf of the Council of Owners, will void the policy or be a condition to coverage under the policy;

(6) with respect to policies of insurance of the character described in Subsections (a), (b) and (c) of this Section 5.1, name as insured the Managing Agent, the Council of Owners and each Owner in the Percentage Ownership Interest established in Exhibit B to this Amended and Restated Declaration;

(7) contain an endorsement extending coverage to include the payment of Common Expense Charges for Apartments damaged during the period of reconstruction, with respect to all policies of insurance of the character described in Subsection (a) of this Section 5.1.

(8) provide that if at the time of a loss under the policy, there is other insurance in the name of an Owner covering the same property covered by the policy, the Council of Owners' policy provides primary insurance.

Section 5.2 Individual Insurance. Each Owner shall be responsible for insurance, at his own cost and expense, on the contents of his Apartment and the furnishings, interior walls, appliances and all parts of the Apartment not Common Elements, and all personal property therein. Each Owner shall be responsible for insurance, at his own cost and expense, on items of property, including vehicles, parked or stored in the Parking Space and/or the Garage appurtenant to his or her Apartment. All policies of casualty insurance carried by each Owner



shall be without contribution with respect to the policies of casualty insurance obtained by the Council of Owners for the benefit of all the Owners as above provided. Owners must carry individual policies of liability insurance insuring against the liability of such Owners and naming the Council of Owners and Managing Agent as additional insureds thereunder, at such Owner's own cost and expense.

## ARTICLE VI

### FIRE OR CASUALTY; REBUILDING

#### Section 6.1    Determination of Loss.

(a) In the event of a fire or other casualty causing damage or destruction to the Condominium, the Board of Directors shall, within thirty (30) days thereafter, call a meeting of the Council of Owners to determine whether such loss comprises the whole or more than sixty-seven percent (67%) of all Buildings (above the foundation). Unless otherwise provided by law, such determination shall be made by determining whether the cost of necessary repair or reconstruction would exceed sixty-seven percent (67%) of the cost of reconstructing all of the Buildings as they existed prior to such fire or other casualty. In the event of fire or other casualty damage which comprises more than sixty-seven percent (67%) of all of the Buildings (above the foundation), the Board shall call a special meeting of the Council of Owners pursuant to Section 3.4(d), and upon a vote of approval from 80% or more of all Owners eligible to vote at the special meeting, all accrued and collected Common Expense Charges (after deducting any unpaid Common Expense Charges for which such Owner may be liable) shall be delivered to the Owners or their Mortgagees, as their interest may appear, in proportion to the Percentage Ownership Interests of each Owner and the Regime shall terminate. Upon such termination, the Apartments and Common Elements shall be deemed to be regrouped and merged into a single estate owned in undivided interests by all Owners as tenants-in-common in the respective Percentage Ownership Interest previously owned by each Owner in the Common Elements. In such case, unless otherwise unanimously agreed upon by all Owners, the Board of Directors, as soon as reasonably possible and as agent and attorney-in-fact for all Owners, shall sell the Condominium, in its then condition, free from the effect of this Amended and Restated Declaration, on terms satisfactory to the Board of Directors and the net proceeds of such sale shall thereupon be distributed to the Owners or their Mortgagees, as their interest may appear, in proportion to the Percentage Ownership Interest previously owned by each Owner in the Common Elements. If the Board of Directors fails to consummate a sale pursuant to the preceding sentence within twenty-four (24) months after the destruction or damage occurs, then the Board of Directors shall (or if the Board of Directors does not, any Owner or Mortgagee may) record a sworn statement setting forth such facts and reciting that under the provision of this Amended and Restated Declaration the prohibition against judicial partition provided for in Section 11.2 below has terminated and that judicial partition of the property may be obtained pursuant to the laws of the State of Texas.

(b) In the event that fire or other casualty damage destroys less than 67% of all the Buildings or that less than 80% of all Owners eligible to vote at the special meeting called to determine whether or not to terminate the Condominium vote to terminate the Condominium,

OFFICE OF  
BEVERLY B. KAUFMAN  
COUNTY CLERK, HARRIS COUNTY, TEXAS

pursuant to the above Section 6.1(a), then the Building or Buildings shall be repaired and reconstructed substantially in accordance with the original plans and specifications.

Section 6.2 Rebuilding.

(a) In the event that it is determined that the damaged Buildings shall be repaired and reconstructed, then all proceeds of insurance policies with respect to such fire or casualty, carried by the Council of Owners, shall be paid to a bank (selected by the Board of Directors) insured by the Federal Deposit Insurance Corporation (or its successors) and located in Harris County, Texas, to be held by such bank as trustee in trust for the benefit of the Owners and their Mortgagees as their respective interest may appear. The Board of Directors shall thereupon contract on behalf of all Owners to repair or rebuild the damaged portions of all Apartments, the Buildings and Common Elements in accordance with the original plans and specifications therefor and the funds held in the trust by such depository bank shall be used for this purpose and disbursed by, or at the direction of the Board of Directors in accordance with the terms of the contract to repair and rebuild.

(b) In the event that such insurance proceeds are insufficient to provide for such repair, restoration or rebuilding, the repair, restoration or rebuilding costs in excess of the insurance proceeds shall be a Common Expense and assessed against all of the Owners, in proportion to the Percentage Ownership Interest of each Owner, as set forth in this Amended and Restated Declaration. Such Special Assessments shall not require the consent of members of the Council of Owners notwithstanding the provision of Section 4.3 hereof to the contrary. If any Owner shall fail to pay such Special Assessments when due, the Board of Directors may make up the deficiency by payment of such Special Assessments from liability therefor. Such assessments shall be enforceable as provided for other Special Assessments herein. Notwithstanding the terms of Section 10.1 hereof, the provisions of this Section may be changed only by unanimous resolution of the Owners and all Mortgagees, adopted subsequent to the date on which such fire or casualty loss occurs, but in the event of such change in appropriate amendment in writing shall be executed and acknowledged by all Owners and Mortgagees and placed in the record in the Condominium Records of the County Clerk of Harris County, Texas.

Section 6.3 Repair of Apartments. Each Owner shall be responsible for the reconstruction, repair and replacement of all personal property and other property not a Common Element (i) in or part of his Apartment, including, but not limited, to the floor coverings, wall coverings, interior walls, furniture, furnishings, decorative light fixtures and appliances located therein and/or (ii) parked or stored in the Parking Space or Garage appurtenant to his or her Apartment.

Section 6.4 Indemnity of Council of Owners. Each Owner shall be responsible for the cost not otherwise covered by insurance carried by the Council of Owners caused by his negligence or misuse or by the negligence or misuse of his immediate family, and his or her agents or employees in the course of their duties, and shall, to the extent not covered by insurance collected by the Council of Owners, indemnify the Council of Owners and all Owners against any such costs of reconstruction, repair and replacement of any portion of the Buildings.

**KINGWOOD VILLAGE ESTATES  
CONDOMINIUMS AMENDED AND  
RESTATED DECLARATION**

**ARTICLE VII**

THIS IS PAGE 8 OF 89 PAGES

**EMINENT DOMAIN REDUCTION 16X CAMERA DESIGNATION MRG1**

**Section 7.1 General Provisions.** If all or part of the Condominium is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Board of Directors and each Owner shall be entitled to participate in proceedings incident thereto at their respective expense. The Board of Directors shall give notice of the existence of such proceeding to all Owners and to all Mortgagees known to the Board of Directors to have an interest in any Apartment. The expense of participation in such proceedings by the Board of Directors shall be borne by the Common Expense Fund. The Board of Directors is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Board of Directors, in its discretion, deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for any such taking shall be deposited with the Board of Directors, acting as trustee, and such damages or awards shall be applied or paid as provided herein. Before any damages or awards are paid or disbursed pursuant to this Article VII, all expenses incurred in connection with such taking shall be paid as authorized in this Section 7.1. Any payment or distribution of net sales proceeds shall be made only after deducting sales commissions, attorney's fees, recording fees and other costs of sale or closing.

**Section 7.2 Taking of Common Elements.** In the event that an action in eminent domain is brought to condemn a portion of the Common Elements (together with or apart from any Apartment), the Board of Directors, in addition to the general powers set out herein, shall have the sole authority to determine whether to defend or resist any such proceeding, to make any settlement with respect thereto, or to convey such property to the condemning authority in lieu of such condemnation proceeding. With respect to any taking of Common Elements only, all damages and awards shall be determined for taking as a whole and not for each Owner's interest therein. After the damages or awards for such taking are determined, the net proceeds thereof after deducting that portion of the award used for the restoration or repair of the Common Elements shall be paid to each Owner in proportion to his or her Percentage Ownership Interest in the Common Elements. With respect to any taking of any Limited Common Elements only, the net proceeds thereof after deducting that portion of the award used for restoration or repair of the Limited Common Elements, shall be paid to the Owners whose Apartments benefited from the Limited Common Elements taken in proportion to his or her Percentage Ownership Interest in the Limited Common Elements taken. The Board of Directors may, if it deems it advisable, call a meeting of the Owners, at which meeting the Owners, by a majority vote of the Council of Owners, shall decide whether to replace or restore as far as possible the Common Element so taken or damaged. In the event it is determined that such Common Elements should be replaced or restored by obtaining other property or Building additional structures, this Amended and Restated Declaration and the plat and plans attached hereto as Exhibit D shall be duly amended by instruments executed by the Board of Directors on behalf of the Owners.

**Section 7.3 Taking of Apartments.** In the event that such eminent domain or condemnation proceedings results in the taking of or damage to one or more, but less than two-

thirds (2/3rds) of the total number of Apartments, then the damages and awards for such taking shall be determined for each Apartment and the following shall apply:

(a) The Board of Directors shall determine which of the Apartments damaged by such taking may be made tenantable for the purposes set forth in this Amended and Restated Declaration, taking into account the nature of this Condominium, the reduced size Apartment so damaged and applicable laws, ordinances and Building codes.

(b) The Board of Directors shall determine whether it is reasonably practicable and lawfully permissible to operate the remaining Apartments of the Condominium including those damaged units which may be made tenantable as a Condominium in the manner provided in this Amended and Restated Declaration

(c) In the event the Board of Directors determines that it is practicable and lawful to operate the remaining Apartments of the Condominium, then the net proceeds of all damage awards will be allocated to the Owners of the Apartments that are untenable based on the Percentage Ownership Interest of each Owner's untenable interest relative to all interests rendered untenable as a result of the condemnation or eminent domain proceedings. The payments thus received by the Owners of the untenable Apartments shall serve to compensate each Owner for the lost interest in the Apartment or untenable portion of the Apartment. Unless the decree provides otherwise, on acquisition, the Common Elements associated with all Apartments rendered untenable shall be reallocated to the remaining Apartments in proportion to the remaining Percentage Ownership Interests, and the Board of Directors shall execute and record an amendment to this Amended and Restated Declaration reflecting the reallocations. Any Apartments not taken, but rendered untenable, shall become a Common Element.

(d) In the event that the Board of Directors determines that it is not reasonably practicable to operate the undamaged Apartments and the damaged Apartments which can be made tenable as a Condominium, then the Board of Directors shall call a special meeting of the Council of Owners pursuant to Section 3.4(d) and upon a vote of approval from 80% or more of all Owners eligible to vote at the special meeting, the net proceeds of all damages and awards shall be paid to the accounts of the Owners of the Apartments, as provided above in Section 7.3(c) in proportion to each Owner's Percentage Ownership Interest in the Common Elements and this Regime shall terminate upon such payment. Upon such termination, the Apartments and the Common Elements shall be deemed to be regrouped and merged into a single estate owned jointly in undivided interests by all Owners, as tenants-in-common, in the respective Percentage Ownership Interest previously owned by each Owner in the Common Elements. In such case, unless otherwise unanimously agreed upon by all Owners, the Board of Directors, as soon as reasonably possible and as agent and attorney-in-fact for all Owners, shall sell the Condominium, in its then condition, free from the effect of this Amended and Restated Declaration, on terms satisfactory to the Board of Directors and the net proceeds of such sale shall thereupon be distributed to the Owners or their Mortgagees, as their interests may appear, in proportion to the respective Percentage Ownership Interest previously owned by each Owner in the Common Elements. If the Board of Directors fails to

consummate a sale pursuant to the preceding sentence within twenty-four (24) months after the taking occurs, then the Board of Directors shall (or if the Board of Directors does not, any Owner or Mortgagee may) record a sworn statement setting forth such facts and reciting that under the provisions of this Amended and Restated Declaration the prohibition against judicial partition provided for in Section 11.2 below has terminated and that judicial partition of the property may be obtained pursuant to the laws of the State of Texas.

(e) In the event that less than 80% of all eligible Owners vote to terminate this Regime at the special meeting called pursuant to the above Section 7.3(d), the proceeds from the damage award shall be paid out and the Common Elements shall be redistributed pursuant to Section 7.3(c).

Section 7.4 Payment of Awards and Damages. Any damages or awards provided in this Article VII to be paid to or for the account of any Owner by the Board of Directors, acting as a trustee, shall be applied first to the payment of any taxes or assessments by governmental authorities owing with respect to that Apartment; secondly, to amounts due under any Mortgage (in the order of their lien priority, if more than one); thirdly, to the payment of any Common Expense Charges or Special Assessments charged to or made against the Apartment and unpaid; and finally to the Owner of such Apartment.

## ARTICLE VIII

### OBSOLESCENCE

Section 8.1 Determination of Non-Obsolescence and Decision to Renovate. Owners representing aggregate Percentage Ownership Interests of at least eight percent (80%) or such greater percentage as may be required by law of the Condominium may agree that the Common Elements are not obsolete and that the same can and should be renewed or reconstructed. In such instance, the expenses thereof shall be borne by the Common Expense Fund and a Special Assessment may be assessed therefor; provided, however, that any Owner not agreeing to such renewal or reconstruction may give written notice to the Board of Directors within ten (10) days following such decision to renovate that such Owner does not agree to the removal or reconstruction, and such Owners shall sell his Apartment to the Council of Owners, for a cash price equal to the fair market value therefor, if such Owner and the Board of Directors, acting as agent of and on behalf of the Council of Owners, can agree on the fair market value therefor, then such sale shall be consummated (by payment of the purchase price in cash) within thirty (30) days after the Owner and the Board of Directors agree upon such value. If such Owner and the Board of Directors are unable to agree upon the price thereof, the date when either party notifies the other that neither is able to agree with the other as to such price or terms shall be the "commencement date," from which all periods of time mentioned herein shall be measured. Within ten (10) days after the commencement date, the Owner and the Board of Directors each shall designate in writing (and give notice of such designation to the other party) one appraiser, each of which appraisers shall have been active in the sale of residential condominium units in the Houston, Harris County, Texas, area for a period of at least ten (10) years prior thereto. If either party fails to make such designation within the aforesaid ten (10)-day period, then the

COUN

CONDOMI

appraiser designated by the other party shall, within five (5) days after the expiration of such ten (10)-day period, appoint another appraiser, who shall likewise have been active in the sale of residential condominiums units in the Houston, Harris County, Texas, area for a period of not less than ten (10) years prior thereto. If the two appraisers are unable to agree upon the price of such Apartment within twenty (20) days after the date on which the last such appraiser was appointed, then they shall appoint a third appraiser being subject to the same qualifications as herein set forth for the first two (2) appraisers. In the event of the failure, refusal or inability of any appraiser so appointed to act, a new appraiser shall be appointed in his stead, which appointment shall be made in the same manner as hereinbefore provided for the appointment of such appraiser so failing, refusing or so unable to act. Each party shall pay the fees and expenses of the original appraiser (and any successor) appointed by or on behalf of such party, the fees and expenses of the third appraiser, and all other expenses, if any, shall be borne equally by the Owner and the Board of Directors (which expenses incurred by the Board of Directors, as aforesaid, shall be paid out of the Common Expense Fund). A decision joined in by two of the three appraisers shall be the decision of the appraisers. If no two appraisers agree, then the average of the decision of all appraisers shall be the decision of the appraisers. After reaching a decision, the appraisers shall give written notice thereof to the Owner and the Board of Directors, whereupon the sale of such Apartment shall be consummated at such price payable in cash within fifteen (15) days thereafter.

Section 8.2 Determination of Obsolescence and Decision to Sell. Owners representing aggregate Percentage Ownership Interests of at least eighty percent (80%), or such greater percentage as may be required by law, of the Condominium may agree that the Common Elements are obsolete and that the entire Condominium should be sold. In such instance, the Board of Directors shall forthwith file and record with the County Clerk of Harris County, Texas, a notice setting forth such fact or facts, and upon the filing of such notice, the entire Condominium shall be sold by the Board of Directors as attorney-in-fact, for all Owners, free and clear of the provisions contained in this Amended and Restated Declaration and upon such sale the Regime shall be terminated. The net sales proceeds (after deducting sales commissions, attorneys fees, recording fees and other costs of sale or closing) shall be apportioned between the Owners on the basis of each Owner's Percentage Ownership Interest in the Common Elements, such apportioned proceeds shall be paid into separate accounts, each such account representing one Apartment. Each such account shall be in the name of the Council of Owners, and shall be further identified by the number of the Apartment and the name of the Owner. From each separate account, the Board of Directors, as attorney-in-fact, shall use and disburse the total amount (of each) of such funds, (without contribution from one fund to another and such proceeds shall be disbursed first to the payment of any taxes or assessments by governmental authorities owing with respect to that Apartment; secondly, to amounts due under any Mortgage (in the order of their lien priority, if more than one); thirdly, to the payment of any Common Expense Charges or Special Assessments charged to or made against the Apartment and unpaid; and finally, to the Owner of such Apartment.

## ARTICLE IX

### TRANSFER OF APARTMENT UNIT; RIGHT-OF-FIRST-OFFER



Section 9.1 Right-of-First-Offer. Except as provided below, should the Owner of any Apartment desire to sell his or her Apartment, each of KVS and the Council of Owners is hereby given and granted a right-of-first-offer to purchase such Apartment on the terms and conditions herein stated, and no Owner of an Apartment shall sell the same to any party without first giving KVS and the Board of Directors notice in writing of such proposed sale as herein provided and giving each of KVS and the Council of Owners the opportunity to determine whether it will exercise the right-of-first-offer to purchase said Apartment. If an Owner of any Apartment desires to sell his or her Apartment, prior to the time that the Apartment is placed on the market for sale, the Owner shall first offer KVS and the Council of Owners the opportunity to purchase the Apartment on the same terms and conditions as the Owner intends to market the Apartment to third parties. The right of first offer of KVS shall have priority over the right of first offer of the Council of Owners. Any sale of an Apartment without compliance with the terms hereof shall be void and of no force or effect and shall confer no title or interest in an Apartment to the purported purchaser.

Section 9.2 Notice and Exercise of Option. Whenever the Owner of any Apartment desires to sell his or her Apartment, prior to the time that the Apartment is placed on the market for sale, the Owner shall first offer KVS and the Council of Owners the opportunity to purchase the Apartment on the same terms and conditions as the Owner intends to market the Apartment to third parties, by the Owner of such Apartment delivering to KVS and the Board of Directors written notice of his or her desire to accept such Purchase Offer for the purchase of his or her Apartment (the "Purchase Offer Notice"), stating the terms and conditions (including without limitation the proposed sales price) by which the Apartment will be offered for sale. If either of KVS or the Council of Owners desires to exercise its option to purchase said Apartment on the same terms and conditions as are contained in said Purchase Offer, then KVS or the Council of Owners shall notify the Owner of said Apartment desiring to sell the same of its election to purchase, such notice to be in writing and mailed by registered or certified mail to said Owner within twenty-five (25) days from the date of receipt by the later of KVS and the Board of Directors of the Purchase Offer Notice, or written notice may be personally delivered to said Owner within said period. In the event that both KVS and the Council of Owners elect to purchase the Apartment pursuant to a Purchase Offer, KVS shall have priority to purchase the Apartment, it being understood and agreed that KVS shall, subject to the terms of Section 9.6 hereof, always have a priority right-of-first-offer hereunder. If either of KVS or the Council of Owners has elected to purchase said Apartment, then, within a reasonable time after giving notice to the Owner of such Apartment of its election to contract to purchase, shall consummate such contract to purchase on substantially the same terms and conditions as those contained in said Purchase Offer Notice. If an Owner of an Apartment has provided to KVS and the Board of Directors a Purchase Offer Notice in accordance with the terms of this Article IX and each of KVS and the Council of Owners either (i) elects not to purchase the Apartment, or (ii) fails to notify the Owner of its election prior to the expiration of the twenty-five (25)-day period provided for herein, such Owner shall be free to market the Apartment only on the terms and conditions contained in the Purchase Offer Notice, subject to the terms of Section 9.10. In the event that the Owner intends to sell the Apartment on terms and conditions materially different than those contained in the Purchase Offer Notice (for the purposes hereof, a reduction in the sales price of greater than 5% shall be considered materially different), the Owner may not sell

such Apartment without first again providing to KVS and the Board of Directors a Purchase Offer Notice with respect to such Apartment. The right-of-first-offer to purchase herein set forth shall be a continuing right and the non-exercise of the right in any instance shall not be deemed a waiver thereof in any other instance or with respect to any materially different terms and conditions under which the Owner would sell the Apartment to other buyer. Any notice by KVS or the Council of Owners to an Owner given pursuant to this Article IX shall be sent by United States mail postage prepaid, as certified or registered mail, addressed to such Owner at his or her Apartment or to such other address within the United States of America as the Owner may have given in writing to the Board of Directors for the purpose of service of notices and shall be deemed to have been given by KVS or the Council of Owners, as the case may be, and received by such Owner on the date that is the earlier of (i) the date of actual receipt or delivery; (ii) the date that delivery is refused or returned as unclaimed by the U.S Postal Service, or (iii) the date of attempted delivery if the addressee changed addresses but failed to notify the Board of Directors as called for above.

Section 9.3 Purchase by Nominee of KVS or Council of Owners. If either of KVS or the Council of Owners shall so elect, it may cause its right-of-offer to purchase any Apartment to be exercised in its name for itself or for a party approved by KVS or the Council of Owners, as the case may be, which party shall enter into a contract to purchase and consummate such contract to purchase in the same manner as would KVS or the Council of Owners upon its exercise of said right-of-first-offer to purchase said Apartment.

Section 9.4 Exceptions to Right-of-First-Offer. The right-of-first-offer herein granted to KVS and the Council of Owners shall not apply to or be operative with respect to (i) transfers of ownership of any Apartment by one spouse to or for the benefit of the other spouse and/or members or the owner's immediate family (which term includes descendants, parents and siblings of the owner and spouse thereof); (ii) transfers by one Owner to another Owner; (iii) any foreclosure or judicial sale of an Apartment; (iv) the sale of an Apartment by KVS or the Council of Owners after KVS or the Council of Owners has acquired such Apartment pursuant to the terms of this Section; (v) to any conveyance made by the Owner of an Apartment to a bona fide mortgagee in lieu of foreclosure, provided that the title of a purchaser from such mortgagee or a purchaser whose title was obtained at any foreclosure or judicial sale or deed in lieu thereof shall thereafter be subject to the terms and provisions of this Section with respect to any further sale or lease of any such Apartment, (vi) to any lease, rental or occupancy arrangement for any Apartment the Owner of which is a corporation, limited partnership, trust or other legal entity other than a natural person or persons, for the residential housing of its officers, directors, partners, trustees, beneficiaries or other designated agent or employee or a bona fide corporate guest or client, provided that such entity's business is not renting or leasing of condominium apartments; (vii) the creation of a security interest in or mortgage encumbering an Apartment whereby a bank, insurance company, savings and loan association or other similar financial institution becomes the mortgagee; (viii) the sale of an Apartment by KVS of an Apartment that KVS acquires or acquired from the KVE Bankruptcy Estate or the Trustee of the KVE Bankruptcy Estate; or (ix) the sale of an Apartment by the KVE Bankruptcy Estate.

Section 9.5 Intentionally Omitted.

OFFICE OF  
BEVERLY B. KAUFMAN  
COUNTY CLERK, HARRIS COUNTY, TEXAS

CONDOMINIUM RECORDS OF COUN

183068

FILM CODE \_\_\_\_\_

KINGWOOD VILLAGE EST/  
CONDOMINIUMS AMENDE

Section 9.6 Application of Proceeds of Sale. Upon the sale or conveyance of an Apartment by an Owner, the proceeds of such sale or conveyance shall be applied as follows:

- (a) First, to assessments, liens and charges in favor of the State and any political subdivision thereof for taxes past due and unpaid on the Apartment;
- (b) Secondly, to amounts due under any mortgage on any such Apartment in the order of the priority of their respective mortgage liens;
- (c) Thirdly, to the payment of all unpaid Common Expense Charges and Special Assessments against the Apartment and the Owner thereof; and
- (d) Fourthly, to the Owner of such Apartment.

If such unpaid Common Expense Charges or Special Assessments are not paid or collected at the time of sale or conveyance of an Apartment, the grantee of such sale or conveyance shall, subject to any statutory right of redemption, be jointly and severally liable with the selling Owner for all unpaid Common Expense Charges and Special Assessments against the Apartment up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the selling Owner the amounts paid by the grantee therefor.

Section 9.7 Perpetuity Savings Clause. Unless sooner terminated by the termination of this Declaration, the terms and provisions of subsections (a) and (e) hereof, inclusive, shall remain in effect for the period of the lives of the now-living children and grandchildren of the members of the Seventy-Seventh (77<sup>th</sup>) Texas Legislature on the date hereof, whichever of said children or grandchildren shall live longer, plus twenty-one (21) years, from and after the date of execution of this Declaration.

Section 9.8 Guest Suites. Contemporaneously with the recordation of this Amended and Restated Declaration, the KVE Bankruptcy Estate is conveying the Guest Suites to the Council of Owners. The Council of Owners shall maintain ownership of the Guest Suites to be used on a short-term basis as guest suites. The Guest Suites may be rented to a tenant for no more than seven (7) consecutive days and only to guests visiting Owners of Apartments in the Condominium. The rental of the Guest Suites by the Council of Owners shall not be subject to the right-of-first-offer described in this Article IX, and all rent received by the Council of Owners for those Apartments shall be retained by the Council of Owners.

Section 9.9 Charge for Preparation of Documents Related to Resale of Apartment. The Council of Owners shall be entitled to charge Apartment Owners for the cost of preparing a resale certificate, a statement of unpaid assessments, and for furnishing current copies of the Amended and Restated Declaration, bylaws and Rules and Regulations. Such charges may be adjusted from time to time by the Board of Directors.

Section 9.10 Exclusive Sales Broker. Notwithstanding any other provision of this Article IX, the Property Listing Broker is hereby appointed as exclusive listing agent for the marketing and sale of all Apartments for a period that is coterminous with the term of the

Resident Services Agreement. Any Owner desiring to cause its Apartment to be marketed for sale shall notify the Property Listing Broker of its election to do so, and shall promptly complete all marketing and sales information required or requested by the Property Listing Broker regarding listing price, conditions of sale, disclosures and other relevant information. Upon sale of any Apartment, whether to a party procured by Property Listing Broker, the Owner/seller of the Apartment or any third party from any source whatsoever, the Owner/seller of that Apartment agrees to pay Property Listing Broker a commission of 6% of the gross sale price or, if listed by other agents with written permission of KVS and/or if the purchaser is represented by a broker, then a commission of 6% to Property Listing Broker but with up to one-half of such commission (3%), in the aggregate, to be shared with the outside listing agent and/or buyer representative broker in the transaction, and meeting such other requirements as may be imposed by law for such commission agreement to be enforceable and legal under applicable laws and regulations. Such commission does not apply in the event that KVS elects to purchase an Owner's Apartment pursuant to a Purchase Offer under the provisions of Section 9.2 hereof, and does not apply to sales of Apartments by KVS or by the KVE Bankruptcy Estate. This provision shall automatically cease to be in force during any period that the Property Listing Broker's real estate brokerage license is suspended or not in force for any reason, except that commission may be collected during that period to the extent allowed by law on any commission earned by Property Listing Broker prior to such brokerage license being suspended, expired or not in force for any reason.

## ARTICLE X

### AMENDMENT OF DECLARATION, BYLAWS AND RULES AND REGULATIONS

Section 10.1 Amendment of Declaration. Except as otherwise provided herein or by law and except for the designation of the Percentage Ownership Interest which pertains to each Apartment, the provisions of this Amended and Restated Declaration may be amended only by an instrument in writing signed and acknowledged by an aggregate number of Owners having not less than sixty-seven percent (67%) of the total votes of all Apartments, weighted in proportion to the ownership interest, and entitled to vote on such amendment. Except in the event of redistribution of Percentage Ownership Interests in connection with the occurrence of a fire, casualty or eminent domain taking, in order to amend the allocation of the Percentage Ownership Interests in the Common Element appertaining to any Apartment, it shall be necessary not only that an aggregate number of Owners having not less than sixty-seven percent (67%) of the votes of all Apartment, weighted in accordance with their Percentage Ownership Interest and entitled to vote on such amendment execute and acknowledge an instrument in writing, but, in addition, the Owners of those Apartments whose Percentage Ownership Interests are amended by such amendment must likewise join in the execution and acknowledgement of such amendment.

Section 10.2 Amendment of Bylaws. The bylaws may be amended from time to time by the affirmative vote of sixty-seven percent (67%) of the votes entitled to be cast by the members of the Council of Owners who are present, or are represented by proxy, at a meeting of the Council of Owners at which quorum is present.

Section 10.3 Amendment of Rules and Regulations. The Rules and Regulations may be amended from time to time by the Board of Directors, as set forth in the bylaws.

Section 10.4 No Effect on Mortgagees Without Consent. No amendment to this Amended and Restated Declaration, the bylaws, or the Rules and Regulations shall affect, diminish, or impair the validity or lien priority of any bona fide Mortgagee under the Mortgage held by such Mortgagee provided such Mortgage was duly executed, delivered and filed for record in the Real Property or Condominium Records of the Office of the County Clerk, Harris County, Texas, prior to the adoption of such amendment.

## ARTICLE XI

### MISCELLANEOUS

Section 11.1 Estoppel Certificate. Any Mortgagee and any prospective purchaser of an Apartment shall be entitled, upon written request therefor, to a statement from the Board of Directors setting forth the amount of any unpaid Common Expense Charges or Special Assessments not paid by the Owner of an Apartment in which such prospective purchaser or Mortgagee has an interest. Any prospective purchaser shall not be liable for nor shall the Apartment conveyed be subject to the lien provided for in this Amended and Restated Declaration for any unpaid Common Expense Charges or Special Assessments made by the Board of Directors against the particular Apartment involved in excess of the amount set forth in such statement. Any such purchaser, however, shall be liable for any Special Assessments or Common Expense Charges becoming due after the date of any such statement.

Section 11.2 No Partition. The Common Elements shall remain undivided and shall not be the subject to an action for partition or division of the co-ownership thereof so long as they remain suitable for a Condominium regime, and, in any event, all Mortgages encumbering an interest in the Common Elements must be paid in full prior to bringing any action for partition or the consent of all holders of such Mortgagees must be obtained; provided, however, that if any Apartment shall be owned by two (2) or more Owners as tenants-in-common or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition by sale of such Apartment as between such co-tenants.

Section 11.3 Alteration of Boundaries of Apartments. If one person, firm or entity is the Owner of all or part of two (2) Apartments which are adjoining, whether adjoining vertically (above and below each other) or horizontally (on the same floor of the Building) or if two (2) Owners of adjoining Apartments agree, then such Owner or Owners shall have the right to remove all or part of any intervening partition or floor or to create doorways or other openings in such partition or floor, notwithstanding the fact that such partition or floor may in whole or in part be a Common Elements, so long as no portion of any load bearing wall or load bearing column or structural slab is weakened or removed, no portion of any firewall is removed, and no portion of any Common Elements other than that partition or floor is damaged, destroyed or endangered. In any such case, the Owner or Owners involved may relocate the boundaries between adjoining Apartments by creating an appropriate instrument to amend this

Condominium declaration and executing it. The instrument, in order to be binding, shall be joined by the president of the Council of Owners (and the Mortgages, if any of such Apartments) and filed for record in the Condominium Records of the Office to the County Clerk of Harris County, Texas. The instrument of amendment (i) shall show the boundaries between those Apartments which are being relocated, (ii) shall receipt the occurrence of any conveyance between the Owners of such adjacent Apartments, and (iii) shall specify any reasonable reallocation as agreed upon between the Owners of the Apartments involved of the aggregate Percentage Ownership Interest in the Common Elements pertaining to those Apartments. Such plats and floor plans as may be necessary to show the altered boundaries between the Apartments involved shall be certified as to their accuracy by a registered architect or engineer. Any Owners taking any of the actions permitted by this Section 11.3(a) shall do so at their sole cost, risk and expense and shall agree, in form satisfactory to the Board of Directors, to indemnify and hold all other Owners harmless from any cost, expense, damage or liability arising or occurring as a result thereof, which obligation shall be secured or bonded in such amount and form as the Board of Directors shall determine. Any amendment made to the Amended and Restated Declaration pursuant to this Section 11.3(a) shall not require the approval of the Owners as otherwise required by Section 10.1.

Section 11.4 Enforcement. The provisions of this Amended and Restated Declaration shall be liberally construed and interpreted to effectuate its purpose of creating a uniform plan for the development and operation of a Condominium project. The Board of Directors or any Owner shall have the right to enforce, by any proceedings at law or in equity, all terms and provision hereof. Failure by the Board of Directors or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed to be a waiver of the right to enforce such covenant or restriction thereafter.

Section 11.5 Conflict in Instruments. In the event of conflict between the terms and provisions hereof and the terms and provisions of the articles of incorporation of the Council of Owners, the bylaws, the Rules and Regulations or applicable law, or between any of them, the bylaws shall control over the Rules and Regulations, the articles of incorporation shall control over the bylaws and the Rules and Regulations, this Amended and Restated Declaration shall control over the articles of incorporation, the bylaws and the Rules and Regulations, and applicable laws shall control over all the foregoing. In the event of any conflict between the terms and provisions contained in the body of this Amended and Restated Declaration and any exhibit hereto, the body of this Amended and Restated Declaration shall control.

Section 11.6 Severability. The provisions hereof shall be deemed independent and several, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision hereof.

Section 11.7 Power of Attorney. The power of attorney granted in this Amended and Restated Declaration by the Owners to the Board of Directors shall be deemed to be coupled with an interest, shall be irrevocable unless amended pursuant to Section 10.1 hereof, shall survive the death, dissolution, insanity or other incapacity of any Owners, and shall be binding upon each Owner's heirs, successors and assigns.



Section 11.8 Time is of the Essence. Time is and shall be of the essence of this Amended and Restated Declaration and of each term and provision hereof.

Section 11.9 Governing Law. This Amended and Restated Declaration shall be governed by the laws of the State of Texas as the same from time to time exist and, where applicable, the laws of the United States, including the Fair Housing Act of 1988 (the provisions of which shall control over any conflicting provisions hereof).

Section 11.10 Number and Gender. Words of any gender used in this instrument shall be held and construed to include any other gender, and words singular shall be held to include the plural, unless the context otherwise requires.

Section 11.11 Fair Housing. No Owner shall, either directly or indirectly, forbid the conveyance, encumbrance, renting, leasing, or occupancy of the Owner's Apartment to any person on the basis of race, color, sex, religion, ancestry, national origin or other classification discrimination against which is legally prohibited.

Section 11.12 Assignment of Rights by KVS. KVS may assign its rights and obligation under this Declaration only to an organization that is an affiliate of MRCK (or MRCK's successor by operation of law) by filing an instrument describing such assignment in the office of the County Clerk of Harris County, Texas, and any other assignment or purported assignment hereof by KVS without the Council of Owners' prior written consent shall be void, but assignment of the Resident Services Agreement or Management Services Agreement by KVS shall be additionally subject to the terms and conditions for assignment contained in those separate agreements to the extent more restrictive than the provisions hereof.

Section 11.13 Exhibits. All exhibits referenced herein as being attached hereto are incorporated herein by reference and made a part hereof; provided, however, that samples or forms of documents attached as exhibits hereto are incorporated herein only as such.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

OFFICE OF  
BEVERLY B. KAUFMAN  
COUNTY CLERK, HARRIS COUNTY, TEXAS

ONDOMINIUM RECORDS OF COUNTY CLERK

183069

FILM CODE \_\_\_\_\_

**KINGWOOD VILLAGE ESTATES  
CONDOMINIUMS AMENDED AND  
RESTATED DECLARATION**

IN WITNESS WHEREOF, the undersigned parties have executed this instrument to be effective as of the Effective Date.

**KVE BANKRUPTCY ESTATE:**

**THE BANKRUPTCY ESTATE OF KINGWOOD VILLAGE ESTATES, L.L.C., A/K/A KINGWOOD VILLAGE ESTATES, L.C., A/K/A KINGWOOD VILLAGE ESTATES TX, L.C., IN CASE NO. 00-40778-H4-11, IN RE: KINGWOOD VILLAGE ESTATES, L.L.C., A/K/A KINGWOOD VILLAGE ESTATES, L.C., DEBTOR, PENDING IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS (HOUSTON DIVISION)**

By: Trent L. Rosenthal, Chapter 11 Trustee  
Trent L. Rosenthal, Bankruptcy Trustee

KVS and MRCK are hereby executing this Amended and Restated Declaration to acknowledge the rights granted to, and the obligations of, KVS and MRCK as set forth herein.

**KINGWOOD VILLAGE SERVICES, a Texas non-profit corporation**

By: Edward E. Kester  
Name: Edward E. Kester  
Title: Chairperson of the Board

**MRC KINGWOOD, a Texas non-profit corporation**

By: Edward E. Kester  
Name: Edward E. Kester  
Title: President

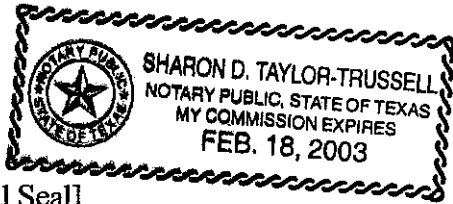
Attached hereto as Exhibit 1 is a list of the signature pages that are attached to this Amendment and have been signed by the Unit Owners constituting, in total, more than sixty-seven percent (67%) of the Percentage Ownership Interests of all the Percentage Ownership Interests of all the Unit Owners in Kingwood Village Estates Condominiums.

THE STATE OF TEXAS

§  
§  
§

COUNTY OF HARRIS

This instrument was acknowledged before me on this 26 day of March 2002, by **TRENT L. ROSENTHAL, INTERIM CHAPTER 11 TRUSTEE FOR ESTATE OF KINGWOOD VILLAGE ESTATES, L.L.C., a/k/a KINGWOOD VILLAGE ESTATES, L.C., a/k/a KINGWOOD VILLAGE ESTATES TX, L.C.**, on behalf of said estate and in that capacity.



[Notarial Seal]

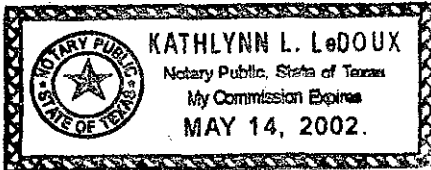
Sharon D. Taylor-Trussell  
Notary Public in and for the State of Texas

THE STATE OF TEXAS

§  
§  
§

COUNTY OF HARRIS

This instrument was acknowledged before me on this 26<sup>th</sup> day of March 2002, by Edward E. Kester, the President of **MRC KINGWOOD**, a Texas non-profit corporation, on behalf of said corporation.



[Notarial Seal]

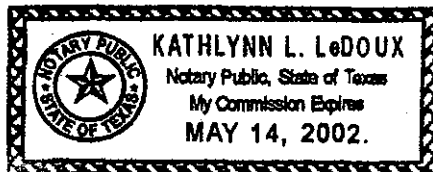
Kathlynn L. LeDoux  
Notary Public in and for the State of Texas

[THE STATE OF TEXAS

§  
§  
§

COUNTY OF HARRIS

This instrument was acknowledged before me on this 26<sup>th</sup> day of March 2002, by Edward E. Kester, the Chairman of the Board of **KINGWOOD VILLAGE SERVICES**, a Texas non-profit corporation, on behalf of said corporation.



[Notarial Seal]

Kathlynn L. LeDoux  
Notary Public in and for the State of Texas

Schedule of Attachments:

- Exhibit A Property Description
- Exhibit B Percentage Ownership Interests in Common Elements and Common Expenses;  
Formula for Voting
- Exhibit B-1 Percentage Ownership Interest of Apartments in Phase Two for Purposes of  
Assessing Phase Two Supplemental Common Expense Charges
- Exhibit C Diagrams of Covered Parking Spaces and Garages
- Exhibit C-1 List of Parking Spaces/Garages Made Appurtenant to Specific Apartments
- Exhibit D Plats and Plans of the Condominium
- Exhibit E Bankruptcy Court Order
- Exhibit F Form of Management Services Agreement with [Epworth]
- Exhibit G Form of Contract for Resident Services with [Epworth]

**AMENDMENT TO THE KINGWOOD VILLAGE ESTATES CONDOMINIUMS  
AMENDED AND RESTATED DECLARATION OF CONDOMINIUM**

---

THE STATE OF TEXAS     §  
                                  §     KNOW ALL PERSONS BY THESE PRESENTS:  
COUNTY OF HARRIS     §

This Amendment to the Kingwood Village Estates Condominiums Amended and Restated Declaration of Condominium ("Amendment") is executed by Owners having not less than sixty-seven percent (67%) of the total votes of all Apartments, weighted in accordance with the Percentage Ownership Interests appurtenant to the Apartments to be effective as of the date it is filed of record in the Condominium Records of Harris County, Texas.

WHEREAS, the National Baptist Foundation, Inc. a Colorado corporation, as declarant, filed that certain Kingwood Village Estates Condominium Declaration of Condominium under Clerk's File No. R257494 in the Condominium Records of Harris county, Texas (the "**Original Declaration**");

WHEREAS, the Bankruptcy Estate of Kingwood Village Estates, L.L.C., a/k/a Kingwood Village Estates, L.C., a/k/a Kingwood Village Estates TX L.C., In Case No. 00-40778-H4-11, *In Re: Kingwood Village Estates, L.L.C., a/k/a Kingwood Village Estates, L.C., Debtor*, pending in the United States Bankruptcy Court for the Southern District of Texas (Houston Division) filed that certain Kingwood Village Estates Condominiums Amended and Restated Declaration under Film Code No. 183059 in the Condominium Records of Harris County, Texas ("**Declaration**");

WHEREAS, the Declaration pursuant to Article III of the Declaration, the Kingwood Village Estates Condominiums Council of Owners (the "**Council**"), a Texas non-profit corporation, shall administer the affairs of the Condominium and the Condominium regime;

WHEREAS, pursuant to Article X of the Declaration, the Declaration may be amended by an instrument signed and acknowledged by Owners having not less than sixty-seven percent (67%) of the total votes in the Apartments, weighted in proportion to the ownership interest, and entitled to vote on such amendment;

WHEREAS, unless otherwise defined herein, all capitalized terms shall have the meanings set forth in the Declaration.

NOW, THEREFORE, the undersigned, being Owners having not less than sixty-seven percent (67%) of the total votes of all Apartments, weighted in accordance with the Percentage Ownership Interests appurtenant to the Apartments, hereby amend the Amended and Restated Declaration, as follows:



Article I of the Amended and Restated Declaration is hereby amended by adding Section 1.4 at the end of Article I to read as follows:

**Section 1.4. Ownership of Multiple Apartments.**

(a) **Purpose.** The purpose of this section is to assist in preserving the predominant character of the Condominium as a residential condominium for elderly owners and residents who are fifty-five (55) years of age and over. Section 1.4 purports to accomplish this purpose by limiting the number of Apartments that may be owned by any Owner to a maximum of two (2). This section is intended to prevent manipulation of the ownership requirements set forth herein, where an individual or entity attempts to circumvent these requirements by using a "strawman" or "front" entity or individual to purchase, control, own or use an Apartment in a manner contrary to this purpose.

(b) **Owner Defined.** For the purpose of this section, "Owner" includes all of the following:

(1) **Individual Owner** – means any individual(s) that holds record title to an Apartment.

(2) **Entity Owner** – means any entity of any type, such as a corporation, partnership, limited liability company, trust of any kind, joint venture, etc. ("**Entity**") that holds record title to an Apartment.

(3) **Affiliated Owners** – means any Affiliated Entity or Affiliated Individual.

a. **Affiliated Entity** – means:

- i. An Entity in which an Individual Owner or an Affiliated Individual holds any ownership interest;
- ii. An Entity of which an Individual Owner or Affiliated Individual is a member, officer, director, shareholder, partner, trustee, or agent; or
- iii. An Entity that is a parent, subsidiary, affiliate, successor, or assign of an Entity Owner.

b. **Affiliated Individual** – means:

- i. An individual that holds any ownership interest in, or is a member, officer, director, shareholder,



*Stan Stanart*  
COUNTY CLERK

partner, trustee, or agent of any Entity Owner or Affiliated Entity; or

- ii. An individual that is the relative, within three degrees of consanguinity or affinity, of any Individual Owner.

(c) **Prohibited Ownership.** No individual or Entity may become an Owner, through the voluntary transfer of title (via sale or gift), of more than two (2) Apartments.

(d) **Exception for Existing Owners.** The Owner of more than two (2) Apartments as of the effective date of this Amendment, shall not be considered in violation of the Declaration. However, so long as such Owner is the Owner of two (2) or more Apartments, such Owner may not become an Owner of an additional Apartment. If the Owner of two (2) or more Apartments as of the effective date of this Amendment conveys title to one (1) or more Apartments, but is still the Owner of two (2) or more Apartments, such Owner may not become an Owner of an additional Apartment. The Owner of two (2) or more Apartments as of the effective date of this Amendment may become an Owner of an additional Apartment or Apartments only if the Owner reduces the number of Apartments of which he/she is the Owner to less than two (2). Thereafter, such Owner may be the Owner of no more than two (2) Apartments.

(e) **Examples.** The following is for illustrative purposes only:

- (1) **Hypothetical.** John Smith is a trustee of Smith Trust. Smith Trust and Tom Jones are members of Big Company, LLC. John Smith buys Apartment 1. Tom Jones buys apartment 2. Big Company, LLC buys apartments 3 and 4.
- (2) **Apply the Definition.**
  - a. John Smith is an Individual Owner of Apartment 1, and an Affiliated Owner of Apartments 3 and 4. Thus, John Smith is an Owner of 3 Apartments.
  - b. Tom Jones is an Individual Owner of Apartment 2, and an Affiliated Owner of Apartments 3 and 4. Thus, Tom Jones is an Owner of 3 Apartments.
  - c. Smith Trust is an Affiliated Owner of Apartments 1, 3 and 4. Thus, Smith Trust is an Owner of 3 Apartments.
  - d. Big Company, LLC is an Entity Owner of Apartments 3 and 4, and an Affiliated Owner of Apartments 1 and 2. Thus, Big Company, LLC is an Owner of 4 Apartments.



- (3) Result. If this occurred before the effective date of this Amendment, the above parties would not be allowed to acquire any additional Apartments. If this occurred after the effective date of this Amendment, the above parties would each be in violation of this Section 1.4.

(f) Enforcement. No Owner may voluntarily transfer title (via sale or gift) to any Apartment unless the Board of Directors of the Council (the "Board") determines by majority that the transfer complies with this Section 1.4. This determination must be evidenced in a writing executed by the President of the Board ("Certification"). The Board may request from the Owner any information reasonably necessary to determine such compliance. If the Board has not granted Certification or requested information within thirty (30) days after receiving a written request therefor, the transfer shall be deemed in compliance with this section.

(g) Amendment of Section 1.4. This section may only be amended by an instrument signed and acknowledged by Owners having not less than ninety five percent (95%) of the total votes of the Apartments, weighted in accordance with the Percentage Ownership Interests appurtenant to the Apartments.

Article IV of the Amended and Restated Declaration is hereby amended by adding Section 4.8 at the end of Article IV to read as follows:

**Section 4.8 Capitalization Fee**

Each purchaser of an Apartment hereby covenants and agrees to pay to the Council a capitalization payment, which shall initially be Five Hundred and 00/100 Dollars (\$500.00), and may be adjusted annually by the Board of Directors by a maximum of ten percent (10%) per year (the "Capitalization Fee"). Such Capitalization Fee shall be payable to the Council at the closing of the transfer of title to an Apartment. The payment of the Capitalization Fee shall be secured by the continuing lien set out herein and shall be collected in the same manner as Common Expense Charges. The transferring Owner shall notify the Council's Secretary, or managing agent, of a pending title transfer at least seven (7) days prior to the transfer. Such notice shall include the name of the purchaser, the date of title transfer, and other information as the Board may require.

The Capitalization Fee may be used by the Council for any purpose, which in the Council's sole discretion is for the benefit of the Condominium, including, but not limited to, due diligence upon Apartment transfer, administration of the Condominium under section 3.8 herein, placement of such Capitalization Fee in a reserve account, or any other legal purpose which, in the Council's sole discretion, benefits the Condominium. This amount shall be in addition to, not in lieu of, the Common Expense Charges and shall not be considered an advance payment of such Common Expense Charges.

Unless otherwise defined herein, all capitalized terms shall have the meanings set forth in the Declaration.

Except as amended herein, the provisions of the Declaration remain in full force and effect.

IN WITNESS WHEREOF, the Secretary and President of the Association hereby execute this Amendment evidencing and confirming the approval of the Amendment by the Owners having not less than sixty-seven percent (67%) of the total votes of all Apartments, weighted in accordance with the Percentage Ownership Interests appurtenant to the Apartments (evidenced by the Owner Consents attached hereto as Exhibit "A" and incorporated herein for all purposes).

DATED this 26<sup>th</sup> day of February, 2015.

ATTEST:

**KINGWOOD VILLAGE ESTATES  
CONDOMINIUMS COUNCIL OF  
OWNERS**

By: Diana Miller

By: Jim J. Revel

Printed: Diana Miller

Printed: JIM REVEL

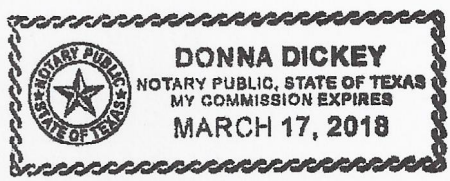
Its: Secretary

Its: President

THE STATE OF TEXAS §  
  §  
COUNTY OF HARRIS §

BEFORE ME, the undersigned notary public, on this 26<sup>th</sup> day of February, 2015 personally appeared JIM REVEL, the Kingwood Village Estates Condominiums Council of Owners, known to me to be the person whose name is subscribed to this instrument, and acknowledged to me that he executed the same for the purpose and in the capacity herein expressed.

Donna Dickey  
Notary Public - State of Texas





**EXHIBIT A**

OFFICE OF  
STAN STANART  
COUNTY CLERK, HARRIS COUNTY, TEXAS  
CONDOMINIUM RECORDS OF COUNTY CLERK

FILM CODE 215122

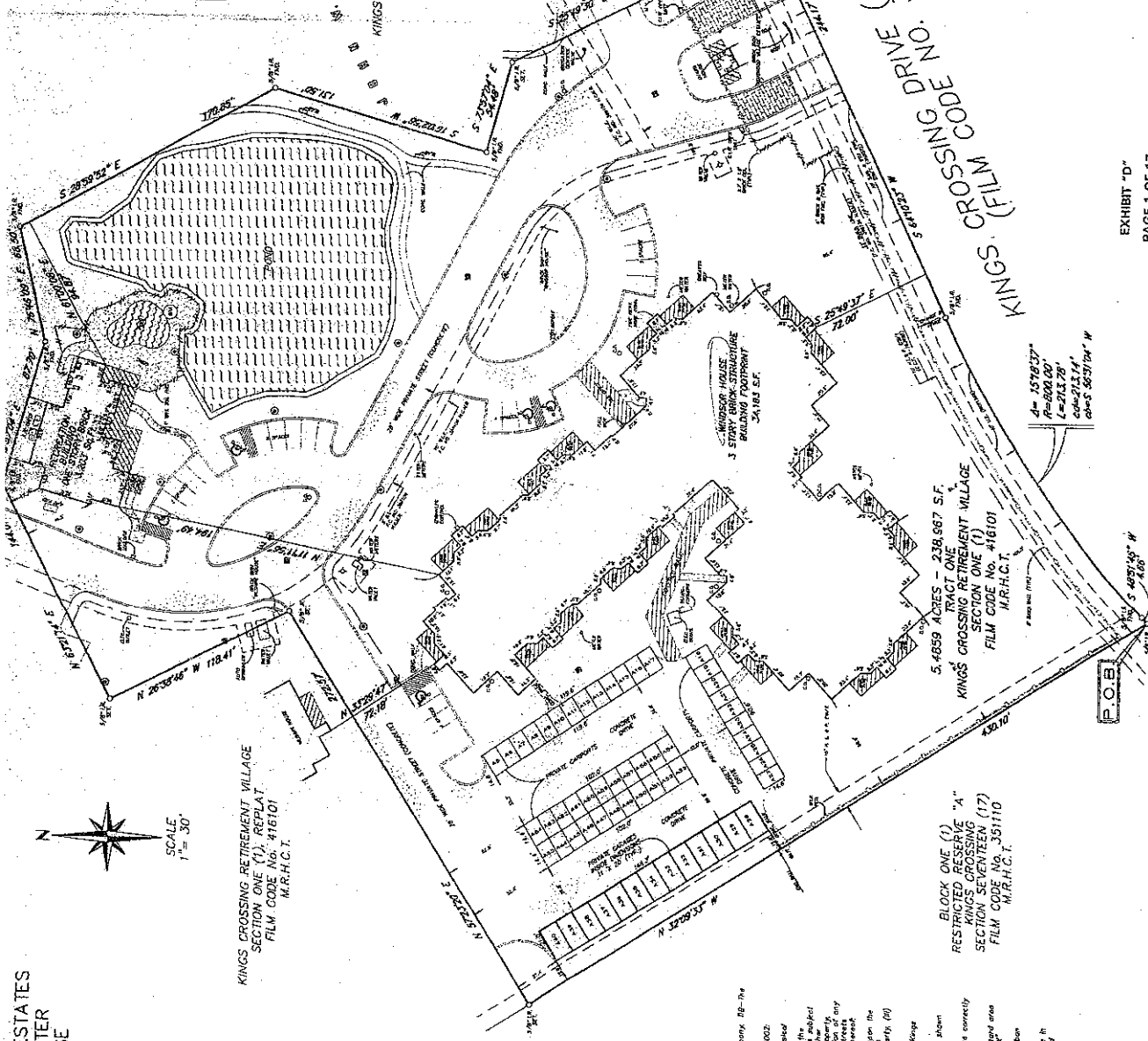
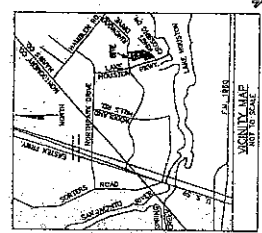
THE KINGWOOD VILLAGE ESTATES CONDOMINIUMS  
AMENDED AND RESTATED DECLARATION  
OF CONDOMINIUM AMENDMENT

THIS IS PAGE 2 OF 24 PAGES

SCANNER Context IQ4400



**KINGWOOD VILLAGE ESTATES  
RETIREMENT CENTER  
WINDSOR HOUSE**



**LEGEND**

- ◻ FIRE HYDRANT
- ◻ GRAVE INLET
- ◻ LIGHT POLE
- ◻ MAN HOLE
- ◻ SEWER CLEANOUT
- ◻ HANDICAP SPACE
- TEL. PED. = TELEPHONE PEDESTAL
- U.E. = UTILITY EASEMENT
- B.L. = BUILDING LINE
- C.C.P. = COUNTY CLERK'S FILE
- S.M.R. = SANITARY SEWER
- F.C. NO. = FILM CODE NUMBER
- ESMT. = EASEMENT
- W.T. IRL. P.N.C. = BROUGHT IRON FENCE
- S.M.R. = STORM SEWER
- H.C.A.R. = HARRIS COUNTY MAP RECORDS
- M.L.C. = WATER LINE EASEMENT
- A/C = AIR CONDITIONER
- P.O.B. = POINT OF BEGINNING

KINGS CROSSING RETIREMENT VILLAGE  
SECTION ONE (1) REPLAT.  
FILM CODE NO. #16101 M.R.H.C.T.

To: Profors Title Company, Commonwealth Land Title Insurance Company, 18-74  
Independent Bank-Bank.

1. Grant Warrant, hereby certify that on the 7th day of January, 2002:

(a) this survey was made on the ground and substantially in accordance with the plan and specifications thereon and the true and correct location of the boundaries and areas of the property shown thereon;

(b) the location of all right-of-way, easements and any other public or private utility lines shown thereon;

(c) the location of all utility lines shown thereon;

(d) the location of all other public or private utility lines shown thereon;

(e) all areas or objects on the property shown thereon;

(f) all areas or objects on the property shown thereon;

(g) all areas or objects on the property shown thereon;

(h) all areas or objects on the property shown thereon;

(i) all areas or objects on the property shown thereon;

(j) all areas or objects on the property shown thereon;

(k) all areas or objects on the property shown thereon;

(l) all areas or objects on the property shown thereon;

(m) all areas or objects on the property shown thereon;

(n) all areas or objects on the property shown thereon;

(o) all areas or objects on the property shown thereon;

(p) all areas or objects on the property shown thereon;

(q) all areas or objects on the property shown thereon;

(r) all areas or objects on the property shown thereon;

(s) all areas or objects on the property shown thereon;

(t) all areas or objects on the property shown thereon;

(u) all areas or objects on the property shown thereon;

(v) all areas or objects on the property shown thereon;

(w) all areas or objects on the property shown thereon;

(x) all areas or objects on the property shown thereon;

(y) all areas or objects on the property shown thereon;

(z) all areas or objects on the property shown thereon;

**BLOCK ONE (1)  
RESTRICTED RESERVE "A"  
KINGS CROSSING RETIREMENT VILLAGE  
SECTION SEVENTEEN (17)  
FILM CODE NO. 351110  
M.R.H.C.T.**

1. Grant Warrant, hereby certify that on the 7th day of January, 2002:

(a) this survey was made on the ground and substantially in accordance with the plan and specifications thereon and the true and correct location of the boundaries and areas of the property shown thereon;

(b) the location of all right-of-way, easements and any other public or private utility lines shown thereon;

(c) the location of all utility lines shown thereon;

(d) the location of all other public or private utility lines shown thereon;

(e) all areas or objects on the property shown thereon;

(f) all areas or objects on the property shown thereon;

(g) all areas or objects on the property shown thereon;

(h) all areas or objects on the property shown thereon;

(i) all areas or objects on the property shown thereon;

(j) all areas or objects on the property shown thereon;

(k) all areas or objects on the property shown thereon;

(l) all areas or objects on the property shown thereon;

(m) all areas or objects on the property shown thereon;

(n) all areas or objects on the property shown thereon;

(o) all areas or objects on the property shown thereon;

(p) all areas or objects on the property shown thereon;

(q) all areas or objects on the property shown thereon;

(r) all areas or objects on the property shown thereon;

(s) all areas or objects on the property shown thereon;

(t) all areas or objects on the property shown thereon;

(u) all areas or objects on the property shown thereon;

(v) all areas or objects on the property shown thereon;

(w) all areas or objects on the property shown thereon;

(x) all areas or objects on the property shown thereon;

(y) all areas or objects on the property shown thereon;

(z) all areas or objects on the property shown thereon;

**BLOCK SEVEN (7)  
KINGS CROSSING RETIREMENT VILLAGE  
SECTION ONE (1)  
FILM CODE NO. #16101  
M.R.H.C.T.**

1. Grant Warrant, hereby certify that on the 7th day of January, 2002:

(a) this survey was made on the ground and substantially in accordance with the plan and specifications thereon and the true and correct location of the boundaries and areas of the property shown thereon;

(b) the location of all right-of-way, easements and any other public or private utility lines shown thereon;

(c) the location of all utility lines shown thereon;

(d) the location of all other public or private utility lines shown thereon;

(e) all areas or objects on the property shown thereon;

(f) all areas or objects on the property shown thereon;

(g) all areas or objects on the property shown thereon;

(h) all areas or objects on the property shown thereon;

(i) all areas or objects on the property shown thereon;

(j) all areas or objects on the property shown thereon;

(k) all areas or objects on the property shown thereon;

(l) all areas or objects on the property shown thereon;

(m) all areas or objects on the property shown thereon;

(n) all areas or objects on the property shown thereon;

(o) all areas or objects on the property shown thereon;

(p) all areas or objects on the property shown thereon;

(q) all areas or objects on the property shown thereon;

(r) all areas or objects on the property shown thereon;

(s) all areas or objects on the property shown thereon;

(t) all areas or objects on the property shown thereon;

(u) all areas or objects on the property shown thereon;

(v) all areas or objects on the property shown thereon;

(w) all areas or objects on the property shown thereon;

(x) all areas or objects on the property shown thereon;

(y) all areas or objects on the property shown thereon;

(z) all areas or objects on the property shown thereon;

**APOLLO SURVEYING**  
RESIDENTIAL · COMMERCIAL · RURAL

110 MARBLE NO. 800 KINGWOOD, TX 75389  
(281) 388-1025 · FAX (281) 388-1068

CUSTOMER: KINGWOOD VILLAGE ESTATES - WINDSOR HOUSE  
S.T. NO. 0352575

ALL OF KINGWOOD VILLAGE ESTATES WINDSOR HOUSE, A CONDOMINIUM PROJECT, IN HARRIS COUNTY, TEXAS, IS BEING SURVEYED IN ACCORDANCE WITH THE METES AND BOUNDS DESCRIBED IN EXHIBIT "A".

**APOLLO SURVEYING**  
RESIDENTIAL · COMMERCIAL · RURAL

110 MARBLE NO. 800 KINGWOOD, TX 75389  
(281) 388-1025 · FAX (281) 388-1068

CUSTOMER: KINGWOOD VILLAGE ESTATES - WINDSOR HOUSE  
S.T. NO. 0352575

ALL OF KINGWOOD VILLAGE ESTATES WINDSOR HOUSE, A CONDOMINIUM PROJECT, IN HARRIS COUNTY, TEXAS, IS BEING SURVEYED IN ACCORDANCE WITH THE METES AND BOUNDS DESCRIBED IN EXHIBIT "A".

EXHIBIT "D"  
PAGE 1 OF 17

SHEET 1 OF 2





1	CONTRACTOR
2	OWNER
3	ARCHITECT
4	MECHANICAL ENGINEER
5	ELECTRICAL ENGINEER
6	PLUMBING ENGINEER
7	STRUCTURAL ENGINEER
8	MECHANICAL CONTRACTOR
9	ELECTRICAL CONTRACTOR
10	PLUMBING CONTRACTOR
11	STRUCTURAL CONTRACTOR

**Kingwood Village Estates  
Condominiums**

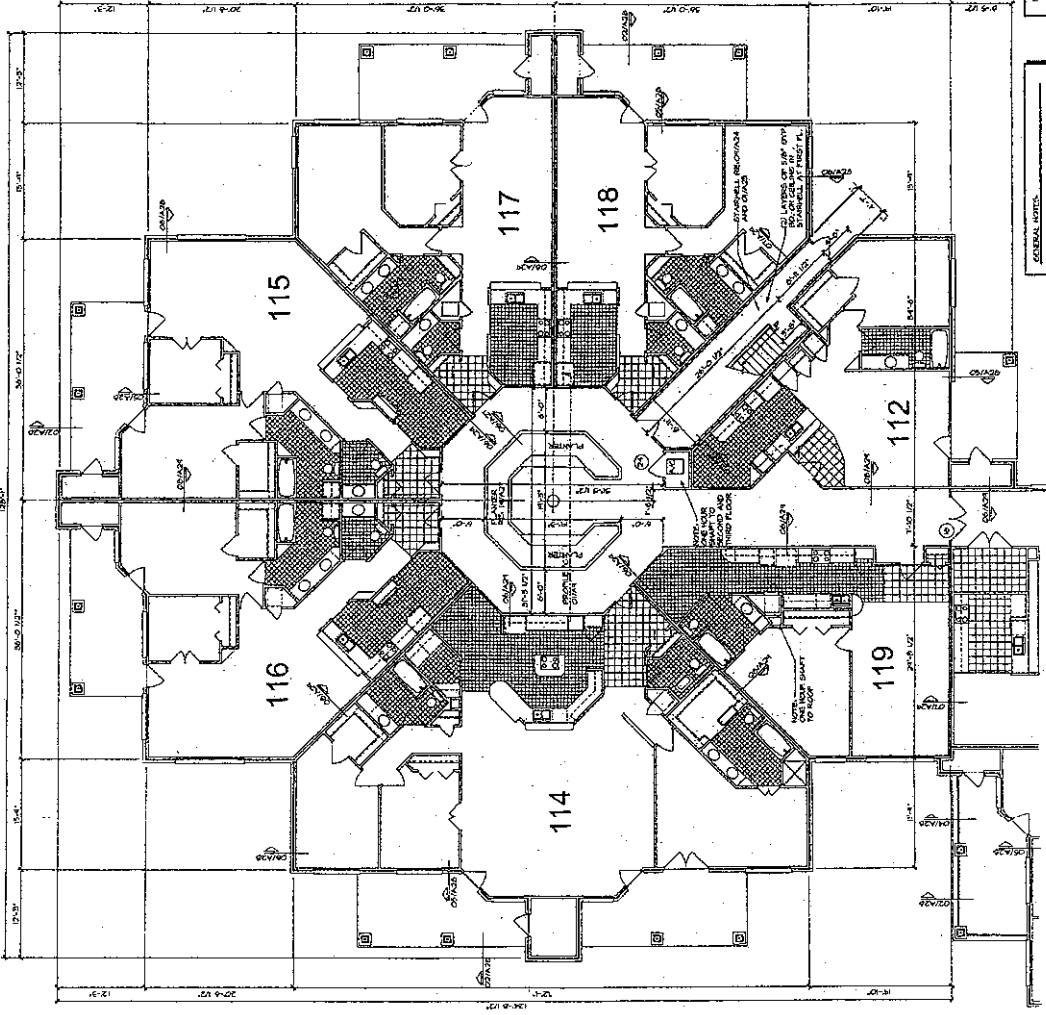
Ken Anderson  
& Associates, Inc.  
ARCHITECTS  
1100 W. 10th St., Suite 100  
Oklahoma City, Oklahoma 73106  
Tel: (405) 521-1100

DATE	11/15/87
PROJECT	CONDOMINIUMS
NO.	1100
REV.	
BY	
CHK.	
APP.	
DATE	

**A-8**  
SHEET

- NOTES:**
1. ALL CONSTRUCTION TO BE IN ACCORDANCE WITH THE 1987 IBC.
  2. ALL PARTS SHALL BE COORDINATED WITH THE MECHANICAL CONTRACTOR.
  3. ALL PARTS SHALL BE COORDINATED WITH THE ELECTRICAL CONTRACTOR.
  4. ALL PARTS SHALL BE COORDINATED WITH THE PLUMBING CONTRACTOR.

- GENERAL NOTES:**
1. ALL PARTS SHALL BE COORDINATED WITH THE MECHANICAL CONTRACTOR.
  2. ALL PARTS SHALL BE COORDINATED WITH THE ELECTRICAL CONTRACTOR.
  3. ALL PARTS SHALL BE COORDINATED WITH THE PLUMBING CONTRACTOR.

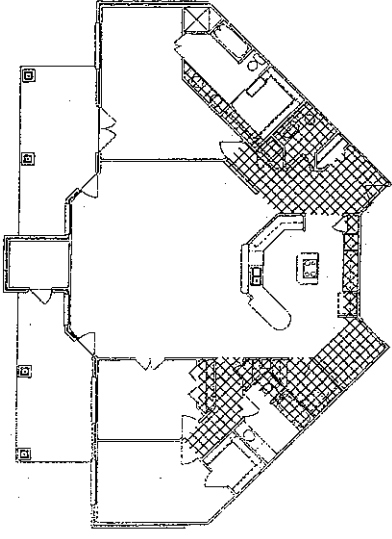


**01 P03-1 FIRST FLOOR PLAN**

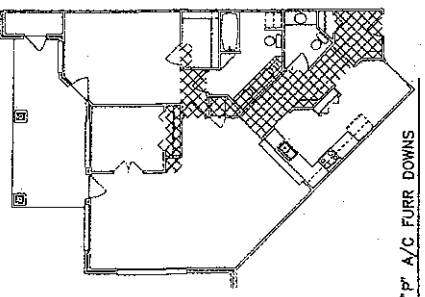
**EXHIBIT "D"**  
PAGE 7 OF 17

**SYMBOL LEGEND**

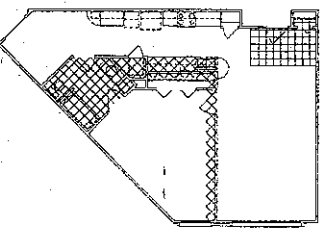
THIS SYMBOL INDICATES A  
FLOOR FINISH TO BE  
CONCRETE ON GRAVEL



**02 UNIT "K" A/C FURR DOWNS**



**03 UNIT "P" A/C FURR DOWNS**



**04 UNIT "S" FURR DOWNS**

- NOTES:**
1. SPACING UNITS INDICATES FURR DOWNS TO BE PLACED AT THE CENTER OF EACH UNIT TO PROVIDE UNIFORM AIR FLOW.



Check By	
Drawn By	
Scale	
Date	
Project	
Sheet	

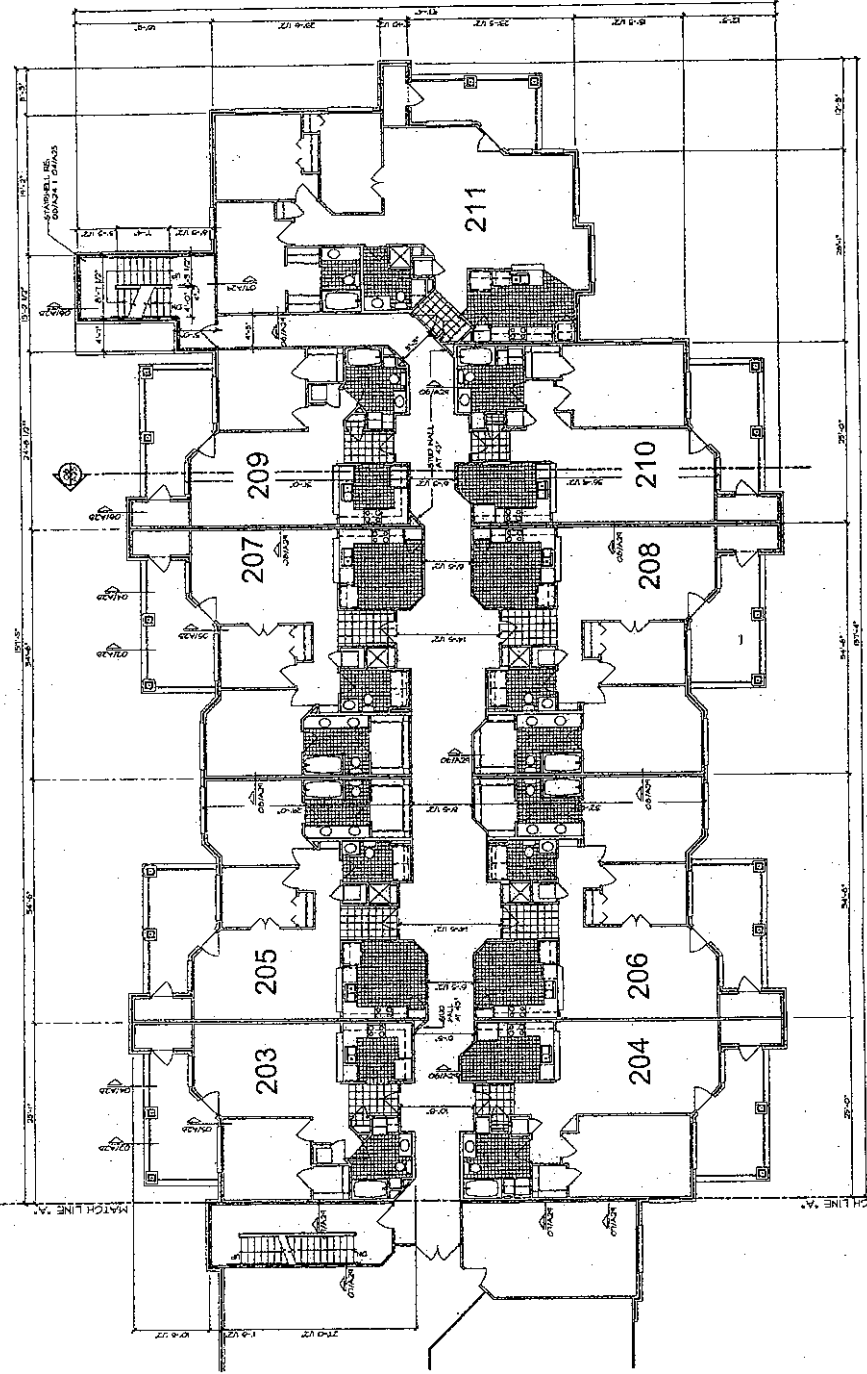
**Kingwood Village Estates Condominiums**

Ken Anderson & Associates, Inc.  
 1100 West 10th Street  
 Oklahoma City, Oklahoma 73106  
 Phone: (405) 521-1100  
 Fax: (405) 521-1101



NO.	DATE	REVISION
1	10/2/97	AS SHOWN
2	10/2/97	AS SHOWN
3	10/2/97	AS SHOWN
4	10/2/97	AS SHOWN
5	10/2/97	AS SHOWN
6	10/2/97	AS SHOWN
7	10/2/97	AS SHOWN
8	10/2/97	AS SHOWN
9	10/2/97	AS SHOWN
10	10/2/97	AS SHOWN
11	10/2/97	AS SHOWN
12	10/2/97	AS SHOWN
13	10/2/97	AS SHOWN
14	10/2/97	AS SHOWN
15	10/2/97	AS SHOWN
16	10/2/97	AS SHOWN
17	10/2/97	AS SHOWN
18	10/2/97	AS SHOWN
19	10/2/97	AS SHOWN
20	10/2/97	AS SHOWN
21	10/2/97	AS SHOWN
22	10/2/97	AS SHOWN
23	10/2/97	AS SHOWN
24	10/2/97	AS SHOWN
25	10/2/97	AS SHOWN
26	10/2/97	AS SHOWN
27	10/2/97	AS SHOWN
28	10/2/97	AS SHOWN
29	10/2/97	AS SHOWN
30	10/2/97	AS SHOWN
31	10/2/97	AS SHOWN
32	10/2/97	AS SHOWN
33	10/2/97	AS SHOWN
34	10/2/97	AS SHOWN
35	10/2/97	AS SHOWN
36	10/2/97	AS SHOWN
37	10/2/97	AS SHOWN
38	10/2/97	AS SHOWN
39	10/2/97	AS SHOWN
40	10/2/97	AS SHOWN
41	10/2/97	AS SHOWN
42	10/2/97	AS SHOWN
43	10/2/97	AS SHOWN
44	10/2/97	AS SHOWN
45	10/2/97	AS SHOWN
46	10/2/97	AS SHOWN
47	10/2/97	AS SHOWN
48	10/2/97	AS SHOWN
49	10/2/97	AS SHOWN
50	10/2/97	AS SHOWN

**A-15**



**NOTES:**

1. ALL PARTIES SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS.
2. ALL PARTY WALLS TO BE CONSTRUCTED WITH 1/2" Gypsum Board on One Side and 1/2" Gypsum Board on the Other Side.
3. DOORS THROUGH STAIR HALLS SHALL BE 1 1/2" MINIMUM THICKNESS.
4. ALL WALLS TO BE OFF-HOUR.

**GENERAL NOTES:**

1. REFER TO BALANCED FLOOR PLANS SHEETS AT THIS ADDRESS FOR DIMENSIONS AND FINISHES.
2. REFER TO FLOOR AND WALL FINISHES SHEETS AT THIS ADDRESS FOR DIMENSIONS AND FINISHES.

**EXHIBIT "D"**  
**PAGE 6 OF 17**



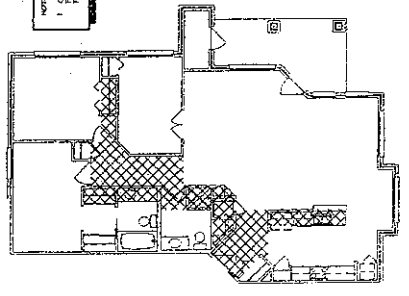
**POD-3 SECOND FLOOR PLAN**

**SYMBOL LEGEND**

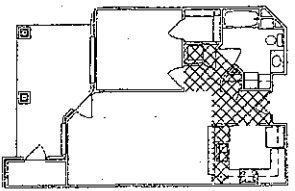
THIS SYMBOL INDICATES A FINISH TO BE APPLIED TO THE SURFACE OF THE WALL OR CEILING.

**NOTES:**

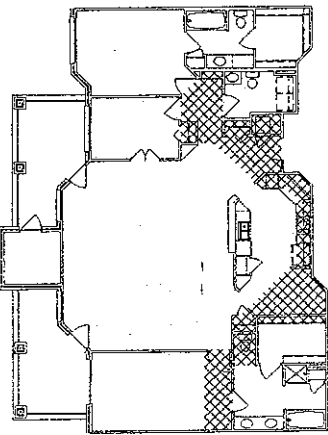
1. GYM AND MEETING ROOMS SHALL BE CONSTRUCTED WITH 1/2" Gypsum Board on One Side and 1/2" Gypsum Board on the Other Side.



**02 UNIT "C" A/C FURR DOWNS**



**03 UNIT "A" A/C FURR DOWNS**



**04 UNIT "H" A/C FURR DOWNS**



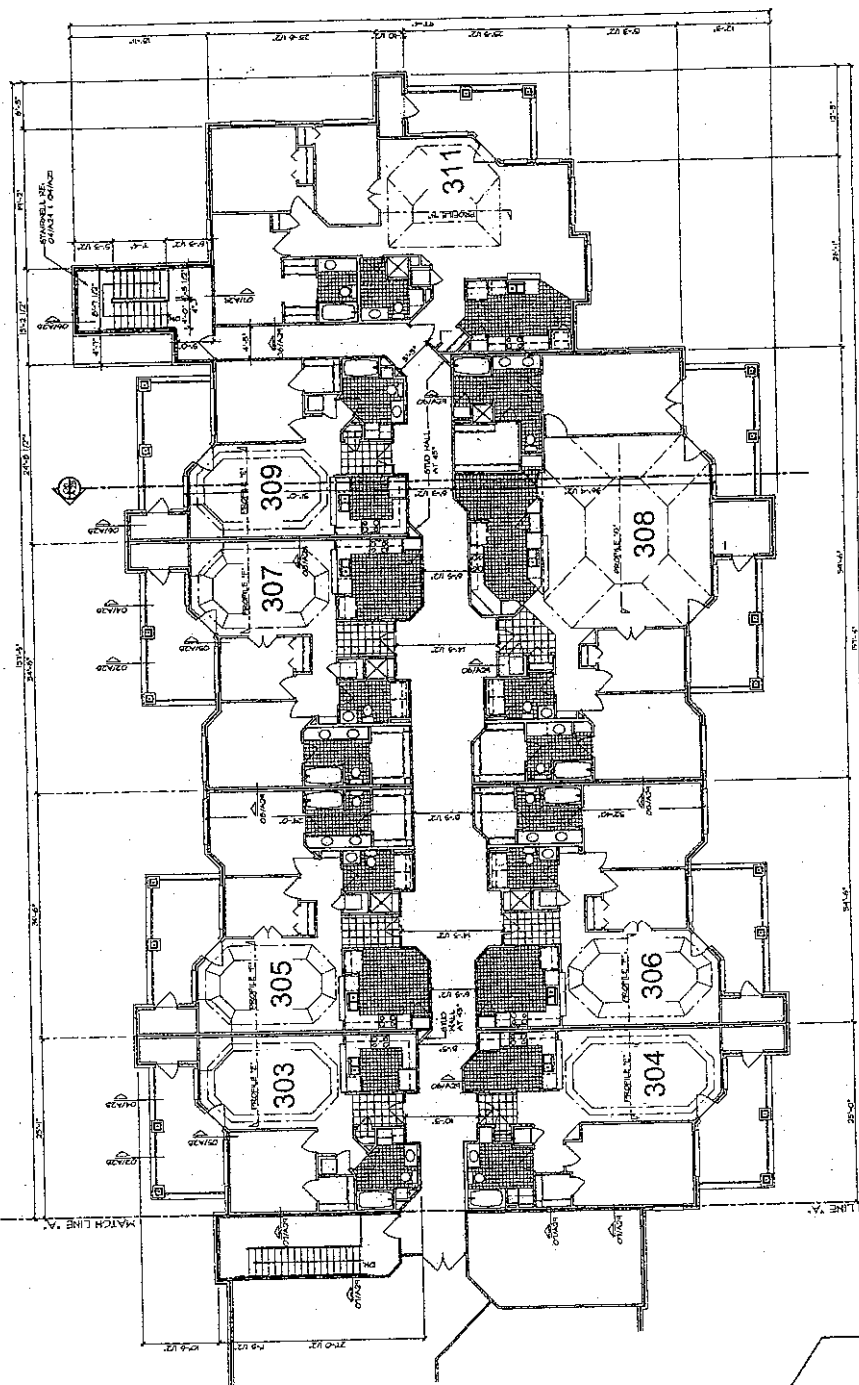


Ken Anderson  
& Associates, Inc.  
Architects  
1225 Avenue B, Suite 1112  
Houston, Texas 77002  
Tel: (713) 466-1418  
Fax: (713) 466-1419



DATE	12/12/22
BY	AK/2022
CHK'D BY	
DATE	12/12/22
BY	
CHK'D BY	
DATE	
BY	
CHK'D BY	

A-16



NOTES:

1. ALL CORRIDORS TO BE OF ONE HOUR CONSTRUCTION RATED CORRIDOR.
2. ALL WALLS TO BE OF ONE HOUR CONSTRUCTION RATED CORRIDOR.
3. ALL DOORS TO BE OF ONE HOUR CONSTRUCTION RATED CORRIDOR.
4. ALL WALLS TO BE OF ONE HOUR CONSTRUCTION RATED CORRIDOR.
5. USE 2x4 TYPE "K" SYSTEM BOARD THROUGH ON ALL WALLS.
6. ALL WALLS TO BE OF ONE HOUR CONSTRUCTION RATED CORRIDOR.

GENERAL NOTES:

1. ALL BAY AND RIGID SEPARATION WALLS TO BE 1/2" MIN. THICK FOR CONCRETE OVERBARS.
2. ALL BAY AND RIGID SEPARATION WALLS TO BE 1/2" MIN. THICK FOR CONCRETE OVERBARS.
3. OTHER NOTES AND FINISHES TO BE SHOWN ON OTHER SHEETS.

NOTES:

1. ALL BAY AND RIGID SEPARATION WALLS TO BE 1/2" MIN. THICK FOR CONCRETE OVERBARS.
2. ALL BAY AND RIGID SEPARATION WALLS TO BE 1/2" MIN. THICK FOR CONCRETE OVERBARS.



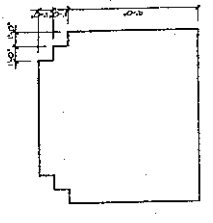
EXHIBIT "D"  
PAGE 9 OF 17

05 FLOOR-3 THIRD FLOOR PLAN

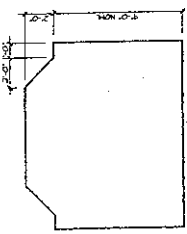
SYMBOL LEGEND

THIS SYMBOL INDICATES A WALL TO BE CONSTRUCTED TO THE FINISH OF WORK.

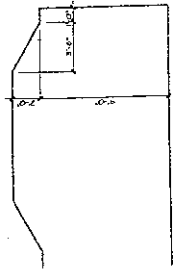
THIS SYMBOL INDICATES A WALL TO BE CONSTRUCTED TO THE FINISH OF WORK.



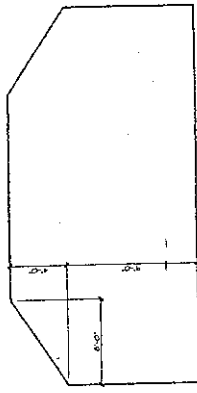
PROFILE "E"



PROFILE "F"



PROFILE "G"



PROFILE "H"



Checked By	
Drawn By	
Reviewed By	
Approved By	
Contractor	
Construction	
Architect	

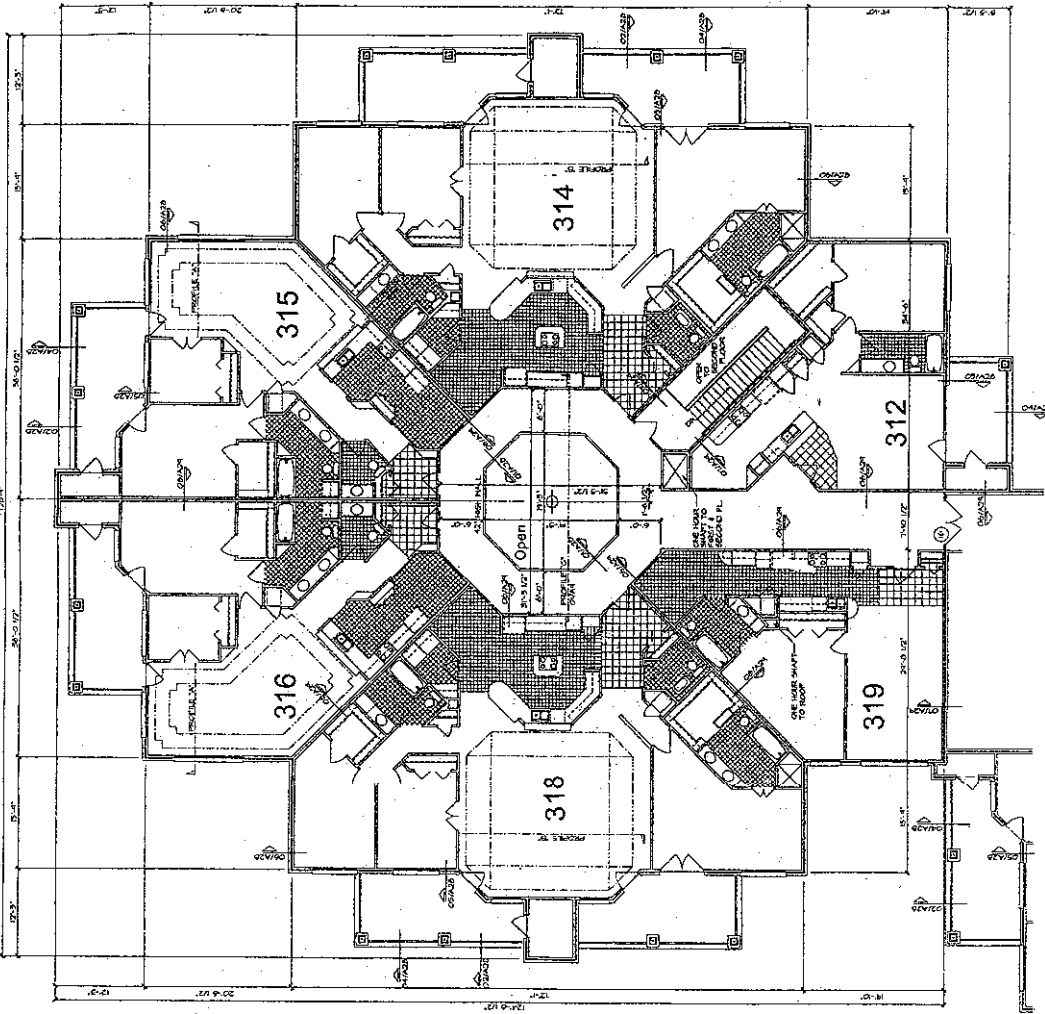
Kingwood Village Estates  
Condominiums

**Ken Anderson & Associates, Inc.**  
Architects  
13500 West 11th Avenue, Suite 1117  
Denver, Colorado 80233  
Tel: 303.751.1111



Project	13500 W. 11th
Sheet	303.02
Scale	AS NOTED
Date	11/17/11
Case No.	
Job No.	
Drawn	
Checked	
Approved	

Sheet  
**A-10**



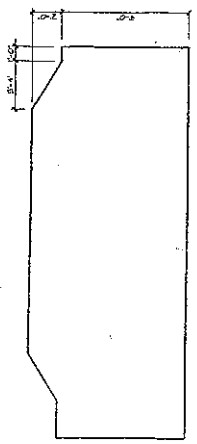
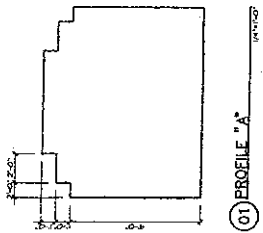
**NOTES:**  
1. ALL UNIT AND CORRIDOR OPERATOR HALLS TO BE FINISHED TO FINISH OF FLOOR EDGE.  
2. FINISH ALL TRIM TO FACE.



EXHIBIT "D"  
PAGE 10 OF 17

POD-1, THIRD FLOOR PLAN

**SYMBOL LEGEND**  
1. 2 HOUR RATED FIRE RATED WALL  
2. 2 HOUR RATED FIRE RATED FLOOR  
3. 2 HOUR RATED FIRE RATED ROOF



**SPECIAL NOTES:**  
1. REFER TO ENLARGED BLOCK PLANS SHEETS AT THIS JOB FOR COMPLETE DIMENSIONS.  
2. FINISH ALL TRIM TO FACE.  
3. FINISH ALL TRIM TO FACE.

**NOTES:**  
1. ALL CORRIDORS TO BE OF ONE HOUR CONSTRUCTION PER DASH.  
2. 1/2" WHITE WALLS TO BE CONSTRUCTED WITH GYPSUM BOARD.  
3. USE 5/8" TITE-BIT SYSTEM BOARD TYPICAL ON ALL WALLS.  
4. ALL SWAINS TO BE ONE HOUR FIRE RATED TYPICAL.

DATE	12/15/07
BY	MM
CHK'D BY	MM
DATE	12/15/07
CHK'D BY	MM
DATE	12/15/07
CHK'D BY	MM

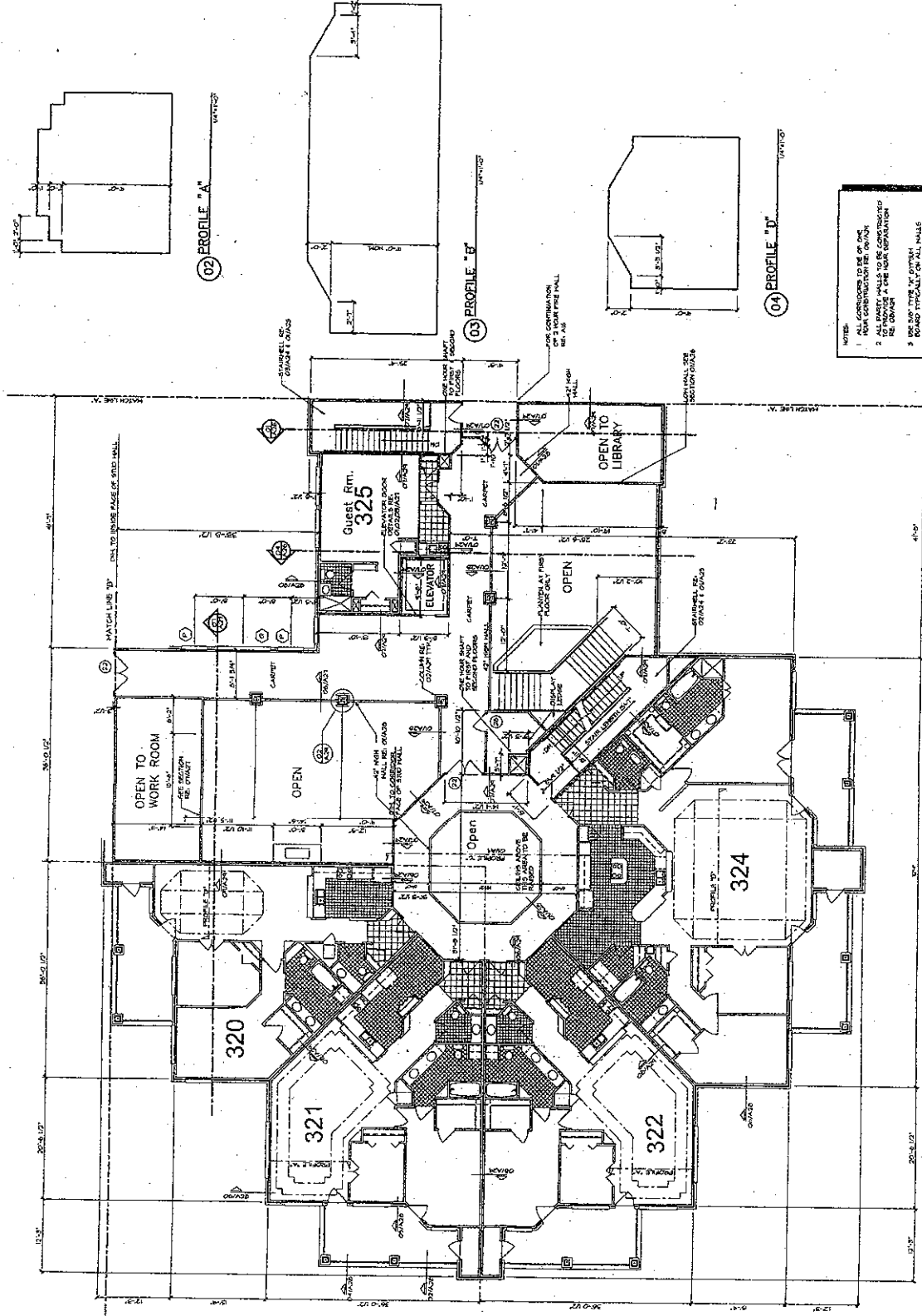
Kingwood Village Estates  
Condominiums

Ken Anderson  
& Associates, Inc.  
ARCHITECTS  
10000 W. 111th Street, Suite 100  
Overland Park, KS 66213  
TEL: 913.241.1111  
FAX: 913.241.1112



NO.	320320
REVISION	
DATE	
BY	
CHK'D BY	
DATE	
BY	
CHK'D BY	
DATE	

Sheet  
**A-13**



NOTES:  
1. ALL PARTITION WALLS TO BE CONSTRUCTED WITH 1/2" GYPSUM BOARD AT THE WORK OPERATIONS.  
2. ALL PARTY WALLS TO BE CONSTRUCTED WITH 1/2" GYPSUM BOARD AT THE WORK OPERATIONS.  
3. SEE S&P FOR THE TYPE OF PARTITION BOARD TYPICAL OF ALL WALLS.  
4. ALL STAIRS TO BE THE WORK INDICATED TYPICALLY.

GENERAL NOTES:  
1. ALL WALLS TO BE CONSTRUCTED WITH 1/2" GYPSUM BOARD AT THE WORK OPERATIONS.  
2. ALL PARTITION WALLS TO BE CONSTRUCTED WITH 1/2" GYPSUM BOARD AT THE WORK OPERATIONS.  
3. SEE S&P FOR THE TYPE OF PARTITION BOARD TYPICAL OF ALL WALLS.



01 POD-2 THIRD FLOOR PLAN

NOTES:  
1. ALL PART AND ELEVATION WALLS TO BE CONSTRUCTED WITH 1/2" GYPSUM BOARD TYPICAL AT THIS FLOOR.

SYMBOL LEGEND  
THIS SYMBOL INDICATES A WALL TO BE CONSTRUCTED WITH 1/2" GYPSUM BOARD TYPICAL AT THIS FLOOR.

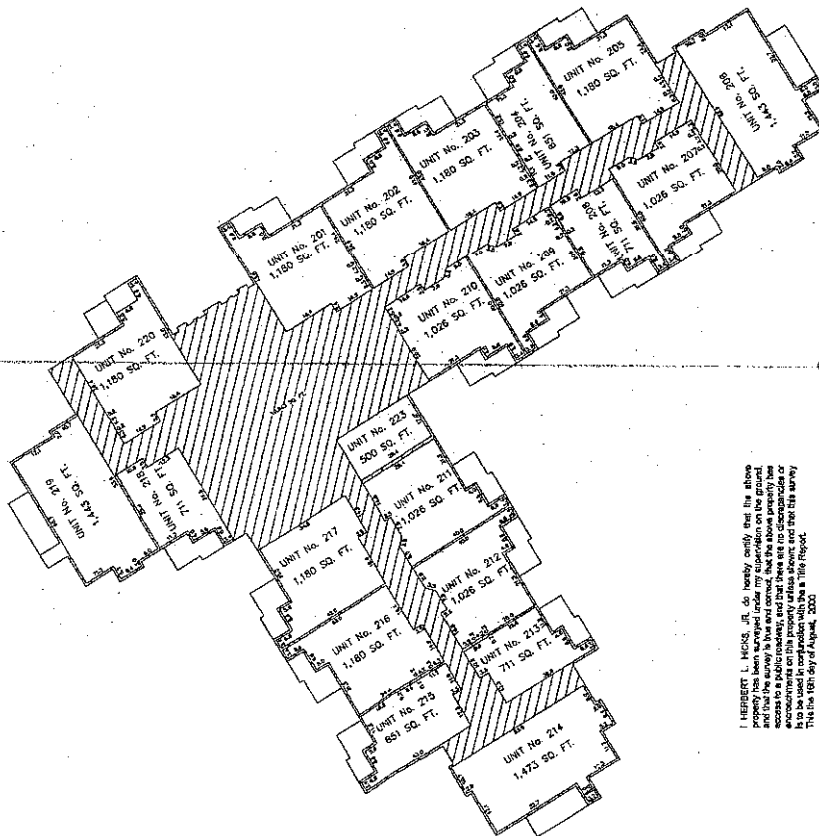
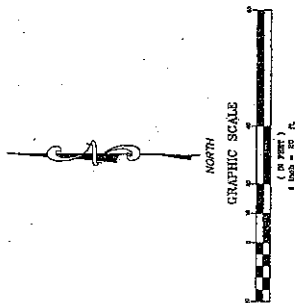
EXHIBIT "D"  
PAGE 11 OF 17



KINGWOOD VILLAGE ESTATES CONDOMINIUMS  
 FILM CODE NO.S 167046 THRU 167055  
 CONDOMINIUM RECORDS OF HARRIS COUNTY, TEXAS

WILSHIRE HOUSE  
 BUILDING NUMBER TWO (2)

UNIT AND COMMON AREA LOCATION,  
 SECOND FLOOR  
 DIMENSIONS AND SQUARE FOOTAGE



HERBERT L. LACAS, JR. do hereby certify that the above is a true and correct copy of the original survey and that the survey is true and correct, that the above is a true and correct copy of the original survey and that there are no discrepancies or errors in this copy of the original survey. This is the 18th day of August, 2000.

HERBERT L. LACAS, JR.  
 STATE OF TEXAS  
 Registered Professional Land Surveyor No. 2077

NOTE: By accepting plotting only on the maps provided by the Surveyor, the Surveyor does not warrant the accuracy of the information shown on the maps. The Surveyor is not responsible for any errors or omissions on the maps. The Surveyor is not responsible for any errors or omissions on the maps. The Surveyor is not responsible for any errors or omissions on the maps.

NOTE: THE SURVEYOR HAS NOT ABSTRACTED THE SUBJECT PROPERTY.

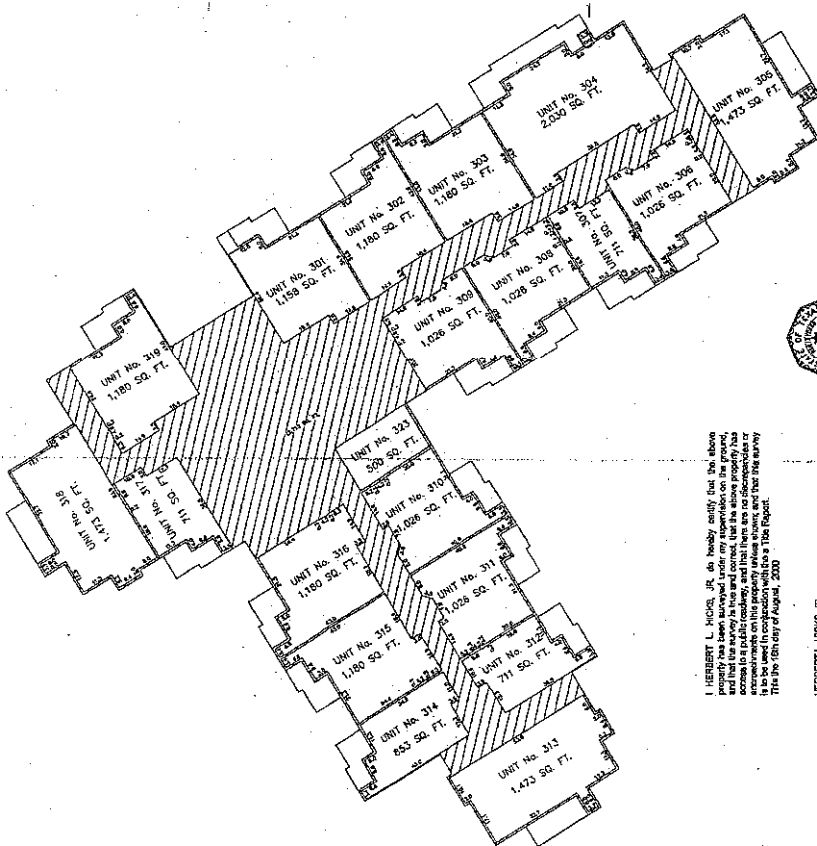
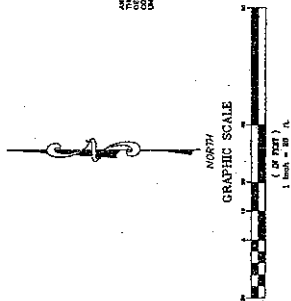
ACME SURVEYING, INC.  
 1640 PROSSER DRIVE, HUNTER, TEXAS 77346  
 TEL: (281) 481-1888 FAX: (281) 475-1899

CUSTOMER: KINGWOOD VILLAGE ESTATES, L.L.C.	SCALE: 1" = 30'
ADDRESS: 2012 GRIFFIN DRIVE	DATE: August 18, 2000
C.P. No.: N/A	DRAWING NO.:
DRAWN BY: BSP	CHECKED BY: JLLA
DATE: August 18, 2000	SHEET 3 OF 4

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE. DATE OF DECLASSIFICATION IS INDEFINITE. AUTHORITY: 5 U.S.C. 552, 5 U.S.C. 1705.

KINGWOOD VILLAGE ESTATES CONDOMINIUMS  
 FILM CODE NO.S 167046 THRU 167055  
 CONDOMINIUM RECORDS OF HARRIS COUNTY, TEXAS  
**WILSHIRE HOUSE**  
 BUILDING NUMBER TWO (2)  
 THIRD FLOOR  
 UNIT AND COMMON AREA LOCATION,  
 DIMENSIONS AND SQUARE FOOTAGE

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE. DATE OF DECLASSIFICATION IS INDEFINITE. AUTHORITY: 5 U.S.C. 552, 5 U.S.C. 1705.



I, HERBERT L. HICKS, JR. do hereby certify that the above property has been surveyed under my supervision on the ground, and that the survey is true and correct, that the above property has been surveyed in accordance with the laws of the State of Texas, and that the survey is to be used in connection with this Report. The 30th day of August, 2000.

HERBERT L. HICKS, JR.  
 STATE OF TEXAS  
 Registered Professional Land Surveyor No. 2077

NOTE: This graphic is being only on the map provided by the Record Book Number 072228S Dated April 4, 2000. This property lies in Zone X, not inside the 100 year Flood Hazard Area.

NOTE: THE SURVEYOR HAS NOT ABSTRACTED THE SUBJECT PROPERTY.

ADME SURVEYING, INC.  
 11025 W. 11th St., Suite 100  
 Dallas, Texas 75244-1102

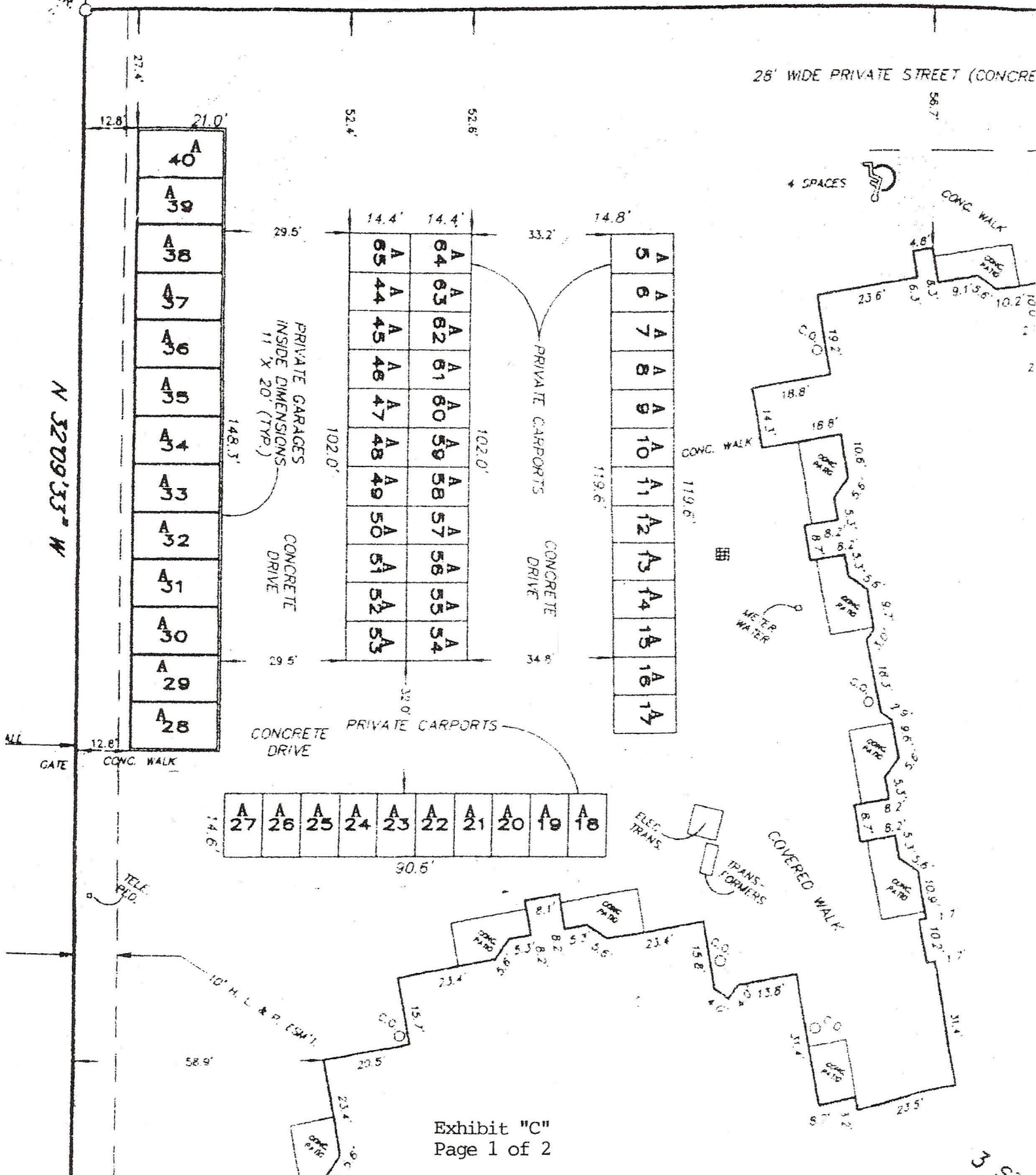
CUSTOMER: KINGWOOD VILLAGE ESTATES, L.L.C.	SCALE: 1" = 30'
ADDRESS: 11025 CROSSROAD DRIVE	
S.F.A.C. - N/A	
DRAWN BY: RDP	DATE: August 15, 2000
CHECKED BY: JALL	DRAWING NO.:
SHEET NO. 4E D0132B	SHEET 4 OF 4

Windsor House Parking Space/Garage Diagram

Parking

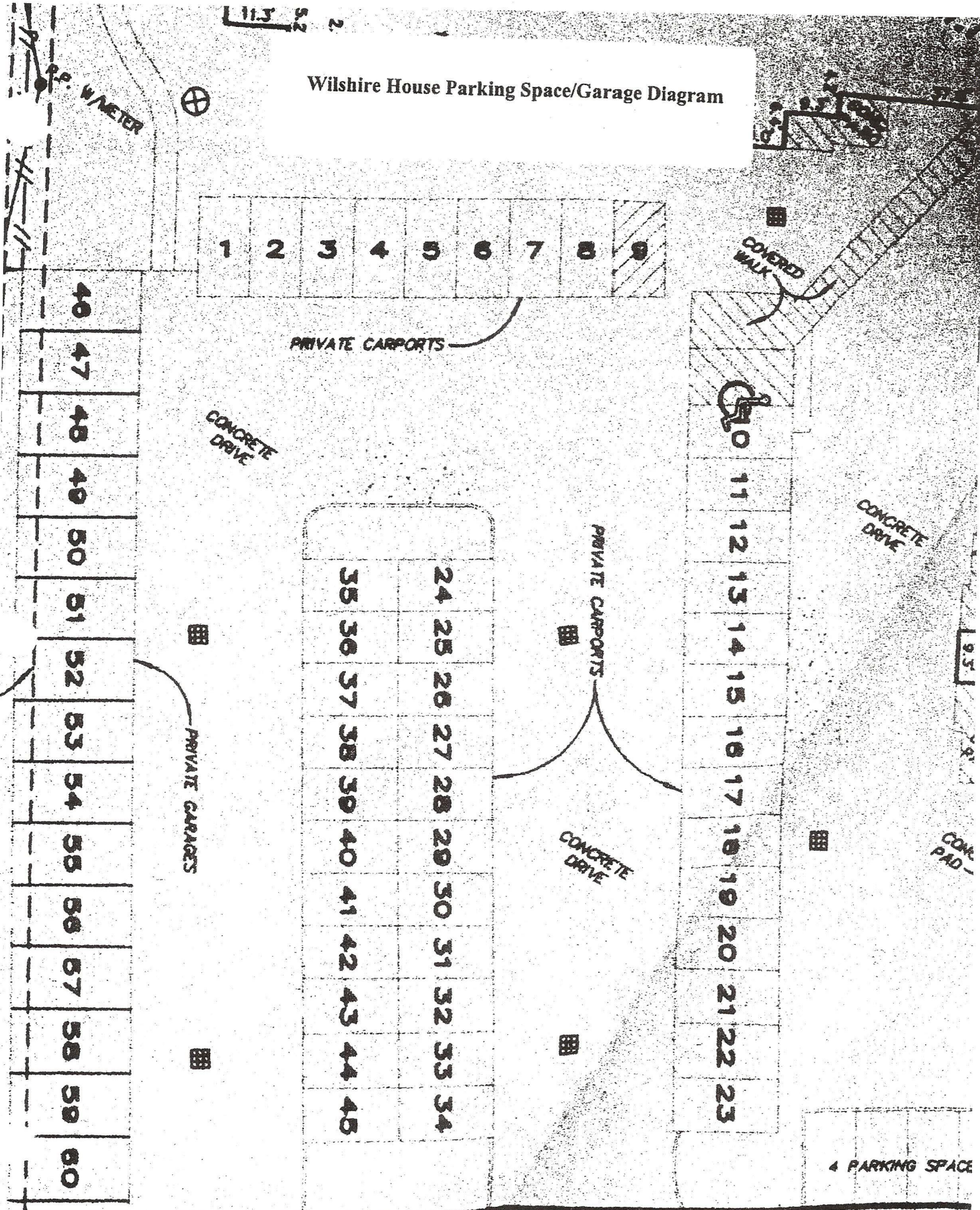
N 57°23'20" E

272.57'





# Wilshire House Parking Space/Garage Diagram



S 57°3'20" W



# RULES AND REGULATIONS

## KINGWOOD VILLAGE ESTATES

### (Windsor and Wilshire)

Words and phrases used in these rules and regulations have the meaning ascribed to them in the Kingwood Village Estates Declaration of Condominium.

References to owner(s) in the rules and regulations also applies as appropriate, to their tenants, lessees and guests, each of whom are also obligated to comply with these rules and regulations. Ref: Rule #46.

1. The green spaces and walkways around the buildings and parking areas, elevators and stairways of the buildings, and hallways and entrances to apartments shall not be obstructed or used for any purpose other than ingress and egress from the buildings or apartments.
2. Any resident, whether owner or non-owner, moving in or out of KVE must notify the KVE Manager of the moving date and time. Doors must not be left propped open while unattended.
3. No articles shall be placed or allowed to remain in the entrances, hallways, stairways to the building, or on the walkways or green spaces around the building, or anywhere on the general common elements except by the Board of Directors or with the Board of Directors' written consent.
4. No articles shall be hung or shaken from the balconies or windows. No clothing or other articles shall be hung in or from the balconies, windows, fences or the general common elements.
5. Children are to be under adult supervision at KVE. See Item #28.
6. No owner shall produce or permit to be made, in his or her apartment or in the common elements, any noises or noxious odors that will disturb or annoy the occupants of the apartments or do or permit anything to be done therein which will interfere with the rights or conveniences of other owners. The determination of whether an action or condition disturbs or annoys the occupant of an apartment shall be made by the Board of Directors and shall be based upon the standard of a person of ordinary sensibilities in a 55+ facility such as KVE.
7. Any owner may decorate and redecorate his unit (but not the common elements) so long as the improvements or alterations are non-structural. If the improvements or alterations involve or affect common elements, an owner must first obtain approval from the Board of Directors before making any improvements or alterations. Any damage to the common area or any work not approved by the Board may subject the Owner to pay costs of removing the improvement or repair. (Sec. 2.2 of the Declaration).
8. If noise will result from any work to be performed pursuant to paragraph (b), above, such work is restricted to the hours of 8:00 a.m. until 4:30 p. m on normal working days excluding holidays, Saturdays and Sundays. Work is not permitted on Saturdays and Sundays. Every effort will be made by owners to insure that disturbing noise is minimal. All contractors, service personnel, subcontractors, material men, workers, etc. will be required to check in with the managing agent to obtain security clearance to the building and apartment and coordinate their

work with the managing agent. For this reason the resident should notify the KVE Manager when expecting any scheduled worker, so the Manager can then contact the gate guard to be sure the worker receives proper instructions on where to proceed (the office or resident's unit). If a resident fails to notify the manager the worker will be required to go directly to the office, possibly delaying this work if the agent is not present at the office at this time.

9. Owners, their families, guests, servants, employees, agents, visitors or licensees, or contractors shall not at any time or for any reason enter or attempt to enter the attic area under the roof without contacting the KVE Manager.
10. Each apartment building has one (1) elevator. Contact the KVE Manager before using elevators for handling large objects or materials that may interfere with other owner's use of the elevators or may require the installation of protective pads.
11. No owner shall do any act, or place any object, in his or her apartment, which would create a structural hazard or endanger the structure of the building or adjacent apartments. Subject to Manager / Board of Directors' approval.
12. No portion of the general common elements shall be decorated by any owner in any manner without prior consent of the Board of Directors or the managing agent except as provided in Section 2.5 of the declarations.
13. No shades, awnings, reflective window film, window guards, ventilators, umbrellas, bird feeders and decorations or window unit air conditioning devices shall be installed or used in, on, or about, the building general common elements, limited common elements or balconies, except as shall be approved by the Board of Directors or managing agent. If an owner shall fail to keep any approved device at work in good order, repair and appearance, the Board of Directors or the managing agent may remove such device or work after 10 days' notice, charging the cost of removal to the owners. After removal, such device or work shall not be replaced until it is put in proper condition and written consent is obtained from the Board of Directors or the managing agent.
14. Signs, notices, posters, advertisements or decorations shall not be inscribed, imposed on or projected from any window, door or other part of the building including your balcony, except as have been approved in writing by the Board of Directors or the managing agent. This also includes areas within the building i.e. bulletin boards and elevators. No one is to remove such approved notices without permission.
15. Radio or television antennas or wiring shall not be attached to or hung from the exterior of the building without written approval from the Board of Directors or managing agent. Installations of other machines on the exterior of the buildings are not permitted. No improvement or device shall be permitted to penetrate into or extend through any perimeter wall or roof without the prior written consent of the Board of Directors or managing agent.
16. Dumpsters are provided in designated areas for the disposal of trash and each resident is responsible for depositing all trash in the dumpster. Garbage will be disposed of through the disposal unit in each kitchen, (use only cold water while the disposal is running and for a short time thereafter). In the event that a recycling program is implemented by the Board of Directors, each resident shall sort recyclable materials designated by the Board of Directors from other trash and deposit such materials in the designated location.
17. Each owner shall keep his or her apartment (Sect 2.1c) and garage, if applicable, in good, clean condition and repair. No owner shall sweep or throw trash or debris from a balcony or from a

door or window or allow any trash or debris to be swept or thrown from the balcony or a door or window of the owner's apartment or by any other person.

18. Damage to any building or general common element caused by an owner or an owner's guest, invitee, tenant, relative or agent, the owner shall be responsible for the payment of all costs and expenses incurred by the Council of Owners as a result of such damage.
19. An owner shall not interfere in any manner with any portion of the plumbing, heating, air conditioning or lighting apparatus, which is part of the general common elements and not part of the owner's apartment.
20. Owners shall not use, or permit to be brought into or stored in the building or limited common elements, any flammable oils or fluids such as gasoline, kerosene, naphtha, propane, benzene, or other explosives or articles deemed extra hazardous to life, limb, or property, without in each case obtaining written consent of the Board of Directors or managing agent.
21. An owner who has purchased a garage with a unit shall not also be assigned a covered parking space. An owner shall not use, nor permit his family, guest or invitees to use, the parking spaces of other owners. Owner's vehicles are not permitted in Guest parking in the front of either building except for transferring packages (i.e. groceries). No owner shall remain in Guest Parking for longer than one hour. If a vehicle is wrongfully parked in a parking space designated for guest parking, the vehicle may be towed at the direction of the Board of Directors or managing agent at the expense of the owner of the vehicle, upon notice as required by law. If a vehicle is wrongfully parked in an owner's designated parking space, the owner should contact management.
22. The doors of garages shall be kept closed and locked at all times other than entry and exit. The owner is responsible for keeping the garage neat and orderly. No flammable liquids including propane and no trash or debris shall be kept or stored in a garage. The owner is responsible for maintaining and keeping the garage door and equipment used to mechanically raise and lower the garage door in good condition and repair. The owner shall replace such garage door and equipment if necessary.
23. No inoperable vehicle shall be kept or parked in a parking space for more than seventy-two (72) consecutive hours. For purposes of these rules, a vehicle shall be deemed to be inoperable if it does not display all required licenses and permits, it does not have fully inflated tires, it cannot be legally operated on a public street, or it is covered or partially covered with a tarp or similar type of material. No maintenance or repair work shall be performed on any vehicle anywhere within the development.
24. Trailers, boats, recreational vehicles, campers or motorcycles are not permitted on or in the general common elements, except as may be parked or stored in areas designated by the Board of Directors or managing agent. An additional charge may be made for vehicle storage, if permitted.
25. No vehicle shall be parked in a fire lane at any time or in a manner that obstructs or impedes ingress to or egress from the development or an owner's designated parking space. Owners shall obey all parking regulations in the parking area.
26. Generally recognized domestic household pets (dogs, cats, birds) may be kept or housed when expressly permitted in writing by the Board of Directors or Managing Agent. Cats and birds may be kept or housed on all floors. Dogs may be kept or housed in a ground floor apartment only. Each owner must apply in writing to the Board of Directors or Managing Agent for permission to keep a pet in his or her apartment. Pets may not be kept in the buildings without written

permission of the Board of Directors or Managing Agent. In addition, the following procedures and rules must be complied with:

- a) Pets are not allowed in or on any general common elements, such as the swimming pool, exercise room, lobbies, kitchens, guest suites, party rooms, meeting rooms, etc.
- b) Except within an apartment, pets must be carried or kept on a short leash and attended by a responsible person. Pets are not permitted to be tied or left unattended on a patio/balcony.
- c) Each owner who keeps a pet in a building shall indemnify and hold all other owners, Council of Owners, the Board of Directors, the managing agent and staff harmless from and protect them against any loss or liability of any kind or character arising from or as a result of having a pet in a building.
- d) Each owner shall be responsible for the expense of cleaning or repairing any soilage of damage to any portion of the building by such owner's pet(s).
- e) If a pet disturbs other owners by running and jumping within any apartment, by barking or biting, or in other ways becomes obnoxious or creates a nuisance, the managing agent will give notice to the owner, and if such annoyance is not stopped or corrected, the Board of Directors or managing agent may revoke their permission to keep the pet in the building, and the pet shall be removed immediately.
- f) All dogs and cats must have been inoculated within the last six (6) months for rabies, DHLPP, and Parvo with verifications maintained in the managing agent's office. No more than one (1) dog or two (2) cats or two (2) birds may be kept in any apartment.
- g) Pets will not be walked on the terrace in front of a building.
- h) Pets shall not be maintained in the building or any apartment for commercial purposes, and
- i) These rules apply equally to guests and their pets.

27. Owners shall not engage employees of the Council of Owners or managing agent for private business during working hours without written prior consent of the managing agent. These employees may be hired in off hours to attend to your private needs.
28. The swimming pool, exercise room, lounge and other available recreational facilities are available for use of owners and their guests at their own risk. Rules for the use of recreational facilities are posted in each area, and owners and their guests must abide by all recreational rules. Failure will result in a forfeiture of the right to use such facilities for a period of time to be determined by the Board of Directors. Owners are not permitted to have guests in the recreational areas unless accompanied by owner. All children in these areas must be accompanied by an adult.
29. Water closets or other water apparatus in the building shall not be used for any purpose other than those for which they were designed. Nor shall sweeping, rubbish, rags or any other article be kept therein. Any damage resulting from misuse of any water closets or other apparatus in an apartment shall be repaired and paid for by the apartment owner.

30. Parking vehicles in the designated covered spaces, the garage purchased by the owner, or the other parking spaces will be at the owner's risk. Neither the Council of Owners nor any of its employees shall be responsible for any personal property which is left in a vehicle. If any key or keys are entrusted by an owner (or by any member of his or her family or by his or her agent, servant, employee, licensee or visitor) to an employee of the Council of Owners or managing agent, whether for such owner's apartment or vehicle, the acceptance of the key shall be at the sole risk of such owner, and the Council of Owners, Board of Directors or managing agent shall not be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.
31. Every owner must perform promptly all maintenance and repair work within his or her own apartment, which (if omitted) would affect the building in its entirety or any part belonging to any other owner. Every owner of a garage must perform promptly all maintenance and repair work with his or her garage. Each owner shall be responsible for the damages and liabilities that arise from his or her failure to promptly perform all necessary maintenance and repair work on his or her own apartment or garage.
32. Owners and their guests shall comply with all security procedures implemented by the Board of Directors or the managing agent.
33. An owner shall be responsible for the negligent and intentional acts of his/her children and grandchildren. An owner shall be responsible for the negligent, but not intentional acts of his / her employees, agents, invitees, servants and guests. See Rule #4.
34. Consents or approval given pursuant to these rules and regulations by the Board of Directors or KVE Manager may be revoked at any time.
35. Complaints regarding maintenance and service for the building or grounds, actions of other owners, or other problems shall be in writing and addressed to the Board of Directors, this may be done directly or through the managing agent.
  - a) A meeting room may be used only if a reservation is made through the managing agent; a meeting room may not be reserved more than forty-five (45) days in advance. A security deposit of \$50.00 shall be required to hold a reservation for a meeting room. The Board of Directors or the managing agent may be required to adjust this deposit from time to time.
  - b) The owner must be present at the function and will be responsible for all actions and damages by owner's guests, servants and invitees. The owner shall exercise due care to minimize noises so as not to disturb other owners. The Board of Directors or managing agent may restrict or prohibit music in the meeting rooms. Strobe lighting is not permitted in the meeting rooms. Owners will contain their parties within the reserved areas.
  - c) If the managing agent deems it necessary, owners may be required to maintain a security guard on duty in the meeting room from one-half hour before the meeting officially begins until after the last guests have departed. There will be a charge for security guards, and arrangements for security guards must be made through the managing agent.
  - d) If a morning or afternoon function is held, the meeting room will be cleaned and in order by the owner immediately following its use. When a function is held during the evening, the owner must have cleaning completed by no later than 10:00 a.m. the following day. Council of Owners' personnel is available upon request at an hourly

rate to be determined by the managing agent. If a meeting room is not properly cleaned after use and restored to the condition it was in prior to the function, all or a portion of the owner's deposit shall be forfeited. Should the amount of damage(s) exceed the owner's deposit, the owner will be responsible for the excess costs.

- e) Functions and the use of a meeting room shall end by 11:00 p.m. (with the exception of New Year's Eve, on which date functions shall end by 2:00 a.m. on the following morning).
  - f) The owner who reserves a meeting room for a private function is responsible for assuring that the number of persons attending the function never exceeds the occupancy number posted in the meeting room.
36. In no event shall any owner or other person be permitted to wash a vehicle in any area of the property, including the garage, driveway, or general common area
37. Parked vehicles must fit into the standard 9' X 20' parking space or garage assigned. Vehicles shall not be parked so as to take up more than one parking space, or extend beyond the assigned parking space. Vehicles shall not be parked so as to interfere with the use of any owner of resident of his or her assigned parking space.
38. Residents who have been granted approval by the Board of Directors to place plants on the balcony of their apartments will take care, when watering so that the water does not drip onto the balconies of other apartments below. If over watering creates a problem for other owners, the resident of the apartment creating such problem will be required at his or her own expense to install scuppers to correct the problem. When hurricane watches or other indications of a hurricane or storms of any nature are in effect, the resident of any apartment having plants on a balcony will immediately move such items into his or her apartment.
39. Any owner must furnish the KVE Manager with a certificate of liability insurance, naming the Council of Owners and managing agent as additional interest thereunder.
40. Use of the swimming pool will be restricted to the hours of 9:00 am until 10:00 pm. Children are not allowed in the swimming pool area unless supervised by a parent or authorized adult. Owners are responsible for the action of their guest at all times. Swimmers must wear appropriate attire. Owners using the pool area will dispose of all refuse in trash containers and keep the pool area clean and orderly. Glassware of any kind, running, pushing, wrestling, ball playing, and/or undue disturbances are not permitted in the pool area. Music that is played loud enough to be heard by other owners occupying the pool area is not permitted. Strobe lighting (pulsating/flashing) is not permitted in the pool area. Parties in the pool area must end by 10:00 p.m. No more than four (4) guests per apartment are allowed in the pool without reservations. Swimming is at each person's risk. There is no lifeguard on duty.
41. Guest parking is to be in designated areas only.
42. Owners, residents, and guests shall not tip building or managing agent employees for the services that they are employed to provide. The employee Christmas fund may be used to show appreciation in lieu of tipping.
43. Owners, residents, and guests shall not use profane language in, on or around the general common elements. Neither shall they threaten or verbally abuse other owners, residents or guests, or the employees or agents of Council of Owners or managing agent.
44. Referring to Article IV, Section 4.4 of the declaration, common expense charges are due and payable annually, in advance, and owners are responsible for paying common expense charges



on January 1 of each year or a prorated annual fee due when an apartment is purchased during a calendar year. At the discretion of the Board of Directors, one-twelfth (1/12) of the annual payment may be paid monthly in advance as long as the payments remain current.

45. Smoking is not permitted in the interior common areas, i.e. the lobbies, hallways, elevators, athletic room, guest suites, party rooms, and/or meeting rooms. If smoking within units or balconies affects other units or common areas, owners should be made aware. Windsor is an entirely smoke free building due to the fact that owners HVAC systems cool common areas.
46. In the event that any owner elects to have security equipment installed in his or her apartment, such equipment shall include only silent alarms rather than audible alarms. Additionally, the managing agent must be provided information to permit disarming the system if necessary.
47. The Council of Owners may charge an owner for preparation of a Resale Certificate and Statement of Unpaid Assessments and for furnishing copies of the Declaration, bylaws and association rules in connection with the resale of a unit. The fee shall be set by the Board of Directors and may be adjusted from time to time.
48. References to owner(s) in the rules and regulations, also applies as appropriate, to their tenants, lessees and guests, each of whom are also obligated to comply with these rules and regulations.
49. Rules of Fining:
  - a) Background: These fining rules are based upon the provisions of the Texas Uniform Condominium Act (TUCA), Chapter 82, and Texas Property Code.
  - b) Policy: The Board of Directors uses fines to discourage violations of the Governing Documents, and to encourage compliance when a violation occurs – not to punish violators or generate revenue for the Council of Owners. Although a fine may be an effective and efficient remedy for certain types of violations or violators, it is only one of several methods available to the Board of Directors for enforcing the Governing Documents. The Board of Directors use of fines does not interfere with the exercise of other rights and remedies for the same violation. Nor may the Board of Directors use fines to the exclusion of other remedies.
  - c) Owner's Liability: An owner is liable for the fines levied by the Board of Directors for violations of the Governing Documents by the owner, the occupants of the unit, and the relatives, guests, employees, and agents of the owner and occupants. Regardless of who commits the violation, the Board of Directors will direct its communications to the owner, although the Board of Directors may send copies of its notices to the unit occupant or actual violator.
  - d) Violation Notice: The Board of Directors' written violation notice will contain the following items: (1) the date and description of the violations; (2) a reference to the rule or provision that is being violated, (3) a description of the action required to cure the violation; (4) the amount of the fine; (5) a statement that not later than the 30th day after the date of the violation notice, the owner may request a hearing before the Board of Directors to contest the fine, and (6) the date the fine attaches or begins accruing (the "Start Date"), subject to the following:
    - (1) New Violation: If the owner was not given notice and a reasonable opportunity to cure a similar violation within the preceding 12 months, the notice will state a specific date by which the violation must be cured to avoid the fine, if the violation is ongoing or continuous. If the violation is not ongoing, but is instead

sporadic or periodic, the notice must state that any future violation of the same rule may result in the levy of a fine.

- (2) Repeat Violation: In the case of a repeat violation, the notice will state that, because the owner was given notice and a reasonable opportunity to cure a similar violation within the preceding 12 months, the fine attaches from the date of the violation notice.
- e) **Right to Hearing**: An owner may request in writing a hearing by the Board of Directors regarding the alleged breach of the Governing Documents. The Board of Directors will schedule a hearing within 30 days after receiving the owner's written request. At the hearing, the Board of Directors will consider the facts and circumstances surrounding the alleged violation. The owner may attend the hearing in person, or may be represented by another person or written communication.
  - f) **Violation Hearing**: To request a hearing before the Board of Directors, an owner must submit a written request to the Board of Directors within 30 days after the date of the violation notice. Within 10 days after receiving the owner's request for a hearing, the Board of Directors will give the owner notice of the date, time, and place of the hearing. The hearing will be scheduled for a date with 30 days from the date the Board of Directors receives the owner's request, and should be scheduled to provide a reasonable opportunity for both the Board of Directors and the owner to attend. Pending the hearing, the Board of Directors may continue to exercise its other rights and remedies for the violation. The hearing will be held in a closed or executive session of the Board of Directors. At the hearing, the Board will consider the facts and circumstances surrounding the violation. The owner may attend the hearing in person, or may be represented by another person or written communication. No audio or video recording of the hearing may be made. The minutes of the hearing must contain a statement of the results of the hearing and the fine, if any imposed. A copy of the violation notice and request for hearing should be placed in the minutes of the hearing. If the owner appears at the meeting, the notice requirements will be deemed satisfied.
  - g) **Levy of Fine**: Within 30 days after levying the fine, the Board of Directors must give the owner notice of the levied fine. If the fine is levied at the hearing at which the owner is actually present, the notice requirement will be satisfied if the Board of Directors announces its decision to the owner at the hearing. Otherwise, the notice must be in writing. In addition to the initial levy notice, the Board of Directors will give the owner periodic written notices of an accruing fine or the application of an owner's payments to reduce the fine. The periodic notices may be in the form of monthly statements or delinquency notices.
  - h) **Amount**: The Board of Directors may set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation. The Board of Directors may establish a schedule of fines for certain types of violations. If circumstances warrant a variance from the schedule, the Board of Directors will document the reasons for the variance in the minutes of its meeting. The amount and cumulative total of a fine must be reasonable in comparison to the violation, and should be uniform for similar violations of the same provision of the Governing Documents.

- i) Type of Levy: If the violation is ongoing or continues, the fine may be levied on a periodic basis (such as daily, monthly, or quarterly), beginning on the Start Date. If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.
- j) Collection of Fines: The Board of Directors is not entitled to collect a fine from an owner to whom it has not given notice an opportunity to be heard. The Board of Directors may not foreclose its assessment lien on a debt consisting solely of fines. The Board of Directors may not charge interest or late fees for unpaid fines.
- k) Effective Date: These Fine Rules will become effective 10 days after the Board of Directors delivers a copy of these Rules to an owner of each unit on the records of the Board of Directors.
- l) Amendment of Policy: The Fining Rules will remain effective until 10 days after the Board of Directors delivers to an owner of each until notice of amendment to or revocation of these Rules. The notice may be published and distributed in a board of director's newsletter or other community-wide publication.

These rules and regulations may be added to, amended, or revoked at any time by the Board of Directors. In the event of any conflict between the terms and provisions of these rules and regulation, the declaration, the articles of incorporation of the Council of Owners, the bylaws or applicable law, the following shall control in order of priority, the former over the subsequent item: applicable law, the declaration, the articles of incorporation, the bylaws, then last the rules and regulations.

Edited 08/14