# SECRETARY CERTIFICATE

Notice

#### FOR

# ASSOCIATION OF OWNERS OF SHERBROOKE SQUARE TOWNHOMES

The undersigned, being the duly acting and qualified Secretary of the ASSOCIATION OF OWNERS OF SHERBROOKE SQUARE TOWNHOMES, a Texas non-profit corporation, (the "Association"), the Association set forth and described in that certain "Enabling Declaration for Sherbrooke Square Townhomes" condominium recorded in Volume 112, Page 31, et seq. of the Condominium Records of Harris County, Texas, together with all amendments thereto, does hereby certify that the attached Exhibit "A" constitutes a true and correct copies of the following documents:

- Articles of Incorporation of "Association of Owners of Sherbrooke Square Townhomes", filed in the office of the Secretary of State of the State of Texas on September 10, 1980; and
- (II) Bylaws of "Association of Owners of Sherbrooke Square Townhomes".

The attached documents are being recorded in the Real Property Records of Harris County, Texas as a "dedicatory Instrument" pursuant to the requirements of Section 202.006 of the Texas Property Code.

**ASSOCIATION OF OWNERS OF SHERBROOKE** SQUARE TOWNHOMES, a Texas non-profit corporation Bv: (signature)/ SK6G/G (name printed) Its: Secretary STATE OF TEXAS 50 60 COUNTY OF Fort Bend This instrument was acknowledged before me on this 2999 day of 20/2, by Borhele A Bohas, Secretary of Asso Secretary of ASSOCIATION OF OWNERS OF SHERBROOKE SQUARE TOWNHOMES, a Texas non-profit corporation, on behalf of such corporation. Seit Notary Public, State of Texas Record and Return to: Frank, Elmore, Lievens, Chesney & Turet, LLP FRANK PETRAS Commission # 5024341 Attn: Richard C. Llevens My Commission Expires 9225 Katy Freeway, Suite 250 September 1, 2019 Houston, TX 77024 SherbrookeSquare.Secretary Certificate.Articles and Bylaws.052717

In the Office of the Secretary of State of Texas ARTICLES OF INCORPORATION OF

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ASSOCIATION OF OWNERS OF SHERBROOKE SQUARE TOWNHOMES SEP 1 0 1980

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CLERK I G Corporation Division

We, the undersigned natural persons of the age of twentyone years or more, at least two of whom are citizens of the State of Texas, acting herein as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE I.

The name of the corporation is ASSOCIATION OF OWNERS OF SHERBROOKE SQUARE TOWNHOMES .

ARTICLE II.

The corporation is a non-profit corporation.

ARTICLE III.

The period of its duration is perpetual.

ARTICLE IV.

Purpose and Powers of the Corporation

This corporation does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for acquisition, construction, management, maintenance and care of the Association's property

at SHERBROOKE SQUARE TOWNHOMES, a condominium project in fluctuation, Harris County, Texas, as provided for in the Enabling Declaration hereinafter described, and to promote the health, safety and welfare of the members within the above described project and for this purpose to:

(a) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association of Owners ("Association") as set forth in the Condominium Act (Article 1301a, Revised Civil Statutes of Texas), and in that certain Enabling Delcaration, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Condominium Records of Harris County, Texas, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Delcaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) Borrow money, and with the assent of the members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) Have and exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Texas by law may now or hereafter have or exercise.

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# ARTICLE V.

# MEMBERS

Every person or entity who is a record Owner of a fee or undivided fee interest in any Townhome unit.described in the Declaration shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any unit which is part of the Townhomes. The word "member" shall by synonymous with the word "Owner" as used in the Declaration.

# ARTICLE VI.

## Voting Rights

Each member shall be entitled to a vote for each unit owned by such member weighted in accordance with the unit's interest in the common areas and facilities as set forth in the Declaration, except that the Developer of the Townhomes shall be entitled to four (4) votes for each unit owned by it until such time as the number of units owned by owners other than the Developer is equal to or exceeds the number of votes to which the Developer is entitled under this Article, whereupon the Developer shall be entitled to one (1) vote for each unit owned by it. Cumulative voting is prohibited. The word "Developer" shall be synonomous with the word "Grantor" as used in the Declaration. In the event that a unit is owned

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by more than one member, the members who own fractional interests in such unit 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 unit. 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 the members owning an interest in such unit. In the event that a unit is owned by more than one member and no single member is designated to vote on behalf of the members owning such unit, then none of such members shall be allowed to vote. All members of the Association may be present at any meeting of the Association and may act at such meetings either in person or by proxy.

# ARTICLE VII.

# Board of Directors

The affairs of this corporation shall be managed by a Board of not less than three (3) persons, who shall be known as "Directors", and who shall be members of the Association (except for the initial Directors named below or their successors prior to the first annual meeting of the members). Subject to such limitation, the number of Directors shall be fixed by the Declaration and the By-Laws of the corporation and amendments thereto from time to time, except as to the number of the initial Board of Directors. No decrease in the number of Directors at any time shall affect or shorten the term of any incumbent Director.

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The number of Directors constituting the initial Board of Directors of the corporation is three (3), and the names and addresses of the persons who are to serve as the initial Directors are:

NAME	ADDRESS
Adrian Gilbert	7505 Fannin, Suite 318 Houston, Texas 77054
Mundi Gilbert	7505 Fannin, Suite 318 Houston, Texas 77054
Marianne Takacs	7505 Fannin, Suite 318 Houston, Texas 77054

# ARTICLE VIII.

# By-Laws

The initial By-Laws of the corporation shall be adopted by the Developer of the Townhomes as provided by the Declaration and may be amended as provided for therein.

ARTICLE IX.

# Dissolution

The corporation may be dissolved with the assent given in writing and signed by all of the members.

## ARTICLE X.

### Initial Registered Office and Agent

The post office address of the corporation's initial registered office is 7505 Fannin, Suite 318, Houston, Texas 77054, and the name of the corporation's initial registered agent at such address is Adrian Gilbert.

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# ARTICLE XI.

# Amendments

Amendment to these Articles shall require the assent of votes representing seventy-five percent (75%) of the total units.

# ARTICLES XII.

# Incorporators

The following natural persons, whose addresses are shown opposite their names, all of whom are citizens of the State of Texas of the age of twenty-one years or more, are the incorporators of this corporation:

NAME	ADDRESS
Adrian Gilbert	7505 Fannin, Suite 318 Houston, Texas 77054
Stephen M. Block	20th Floor, Niels Esperson Bldg. Houston, Texas 77002
Marianne Takacs	7505 Fannin, Suite 318 Houston, Texas 77054

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Texas, we, the undersigned, constituting the incorporators of this corporation, have executed these Articles of Incorporation this  $\frac{974}{2}$  day of  $\frac{5606}{2}$ 

- 6 -

Adrian Gilbert

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1121 Stephen M. Block

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Marianne Takacs

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THE STATE OF TEXAS S s S COUNTY HARRIS OF

BEFORE ME, the undersigned authority, on this day personally appeared Adrian Gilbert, known to me to be the person whose name is subscribed to the foregoing instrument, who, being by me duly sworn, declared that he is the person who signed the foregoing document as incorporator, and that the statements therein contained are true.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this I'lday of , 1980. 11111 TARY PUBLIC My commission 2. WINC

Notary Public in and for Harris County, T E X A S

Notary's printed name:

LINDA' ERWING Notary Public in Harris County, Texas My Commission Expires October 13, 1581-Bonded by L Alexander Lovett, Lawyers Surety, Corp.

THE STATE OF TEXAS 5 5 COUNTY HARRIS 6 OF

Ech 10, 1981

res:

BEFORE ME, the undersigned authority, on this day personally appeared Stephen M. Block, known to me to be the person whose name is subscribed to the foregoing instrument, who, being by me duly sworn, declared that he is the person who signed the foregoing document as incorporator, and that the statements therein contained are true.

- S.C. fitter March	AND SEAL OF OFFICE this $\frac{g^{cL}}{2}$ day of , 1980.
SALARY PUBLIC	Notary Public in and for D Harris County, TEXAS
My Commission expires:	Notary's printed name:
Bat 10, 1581	LINDA ERVING Notary Public in Harris County, Texas My Commission Expires October 10, 1931 Bonded by L Alexander Lovett, Lawyers Surcty Corp

THE STATE OF TEXAS § S COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared Marianne Takacs, known to me to be the person whose name is subscribed to the foregoing instrument, who, being duly sworn, declared that she is the person who signed the foregoing document as incorporator, and that the statements therein contained are true.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 97% day of Unit , 1980. TARY PUBL 6 LUL Notary Public in and for Harris County, T E X A S Conten My pires: Notary's printed name: LINDA ERWING Notary Public in Harris County, Texas Cel 10, 1581 My Commission Expires October 10, 1581 banded by L. Alexander Lovett, Lawyers Surely Corp.

#### BY-LAWS OF

# ASSOCIATION OF OWNERS OF

### SHERBROOKE SQUARE TOWNHOMES

# ARTICLE I.

# PLAN OF APARTMENT OWNERSHIP

Section 1. Apartment Ownership. The project located on the real property described in Exhibit "A" attached hereto, located in the City of Houston, State of Texas, known as "Sherbrooke Square Townhomes" is submitted to the provisions of the Texas Condominium Act (Texas Revised Civil Statutes, Article 1301a, hereinafter called the "Act").

<u>Section 2.</u> By-Laws Applicability. The provisions of these By-Laws are applicable to the project. (The term "project" as used herein shall include the land.)

Section 3. Personal Application. All present or future owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these By-Laws.

The mere acquisition or rental of any of the family units (hereinafter referred to as "units") of the project or the mere act of occupancy of any of said units will signify that these By-Laws are accepted, ratified and will be complied with.

#### ARTICLE II.

# VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Voting. Voting shall be on a percentage basis and the percentage of the vote to which the owner is entitled is the percentage assigned to the family unit or units in the Enabling Declaration.

Section 2. Majority of Owners. As used in these By-Laws the term "majority of owners" shall mean those owners holding 51% of the votes in accordance with the percentages assigned in the Enabling Declaration.

Section 3. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a "majority of owners" as defined in Section 2 of this Article shall constitute a quorum.

Section 4. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

#### ARTICLE III.

#### ADMINISTRATION

Section 1. Association Responsibilities. The owners of the units will constitute the Association of Owners (hereinafter referred to as "Association") who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments and arranging for the management of the project pursuant to an agreement, containing provisions relating to the duties, obligations, removal and compensation of the management agent. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of owners.

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

Section 3. Annual Meetings. The first annual meeting of the Association shall be held when called by the initial Board of Directors upon ten (10) days written notice to the owners. Such written notice may be given at any time but must be given not later than 120 days after completion of transfer to owners of units for use as their residence representing eighty percent (80%) of the votes of all unit owners, exclusive of the votes of owners of units within any future expansion of the project. Thereafter, the annual meetings of the Association shall be held on a day designated by the Board of Directors during the same month of each succeeding year. At such meetings there shall be elected by ballot of the owners a Board of Directors in accordance with the requirements of Section 5 of Article IV of these By-Laws. The owners may also transact such other business of the Association as may properly come before them.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the owners as directed by resolution of the Board of Directors or upon a petition signed by a majority of the owners and having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths of the owners present, either in person or by proxy.

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

Section 6. Adjourned Meetings. If any meeting of owners cannot be organized because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

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

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

#### ARTICLE IV.

#### BOARD OF DIRECTORS

Section 1. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors. Subsequent to the first annual meeting of the Association, the Board of Directors must be composed of five (5) persons, all of whom must be owners of units in the project.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do. all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the owners.

Section 3. Other Duties. In addition to duties imposed by these By-Laws or by resolutions of the Association, the Board of Directors shall be responsible for the following:

- (a) Care, upkeep and surveillance of the project and the common areas and facilities and the restricted common areas and facilities.
- (b) Collection of monthly assessments from the owners.
- (c) Designation and dismissal of the personnel necessary for the maintenance and operation of the project, the common areas and facilities and the restricted common areas and facilities.

Section 4. Management Agent. The Board of Directors may employ for the Association a management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 3 of this Article. Any management agent selected by the Board of Directors must be a professional manager with experience managing multiple unit projects in the Houston, Texas area. The members of the Board of Directors shall not be liable for any omission or improper exercise by the management agent of any such duty, power or function so delegated. Such delegation shall be by written instrument executed by a majority of the members of the Board of Directors, which shall be for a term of not more than one year and shall be terminable by either party upon thirty (30) days written notice. Any decision by the Board of Directors to terminate professional management and assume self-management shall require the prior written approval of all mortgagees of the townhome units.

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

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

Section 7. Removal of Directors. At any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by a majority of the owners and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

Section 8. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

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

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

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

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

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

#### ARTICLE V.

#### OFFICERS

Section 1. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by and from the Board of Directors. The Directors may appoint an assistant treasurer, and an assistant secretary, and such other officers as in their judgment may be necessary. (in the case of an Association of one hundred owners or less, the offices of Treasurer and Secretary may be filled by the same person.) Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

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

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

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

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

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

## ARTICLE VI.

#### OBLIGATIONS OF THE OWNERS

Section 1. Assessments. All owners are obligated to pay monthly assessments imposed by the Association to meet all project communal expenses, which may include a liability insurance policy premium, an insurance premium for a policy to cover repair and reconstruction work in case of hurricane, fire, earthquake or other hazard, and the amount payable by the Association for the annual maintenance fund charge pursuant to the provisions of the Protective Covenants of Plaza del Oro, as recorded in Volume 8201, Page 381 of the Deed Records of Harris County, Texas, as amended. The assessments shall be made pro rata according to the value of the unit owned, as stipulated in the Master Deed. Such assessments shall include monthly payments to a General Operating Reserve and a Reserve Fund for Replacemens.

Section 2. Maintenance and Repair.

(a) Every owner must perform promptly all maintenance and repair work within his own unit, which if omitted would affect the project in its entirety or in a part belonging to other owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) All the rapairs of internal installations of the unit such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, lamps and all other accessories belonging to the unit area shall be at the owner's expense.

(c) An owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common area and facility damages through his fault.

Section 3. Use of Family Units - Internal Changes.

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

(b) An owner shall not make structural modifications or alterations in his unit or installations located therein without previously notifying the Association in writing, through the Management Agent, if any, or through the President or the Board of Directors, if no management agent is employed. The Association shall have the obligation to answer within thirty (30) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

# Section 4. Use of Common Areas and Facilities and Restricted Common Areas and Facilities.

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

#### Section 5. Right of Entry.

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

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

# Section 6. Rules of Conduct.

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

(b) Residents shall exercise extreme care about making noises or the use of musical instruments, radios, television and amplifiers that may disturb other residents. Residents keeping domestic animals will abide by the Municipal Sanitary Regulations.

(c) It is prohibited to hang garments, rugs, etc., from the windows or from any of the facades of the project.

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(e) It is prohibited to throw garbage or trash outside the disposal installations provided for such purposes in the service areas.

(f) No owner, resident or lessee shall install wiring for electrical or telephone installation, television antennae, machines or air conditioning units, etc., on the exterior of the project or that protrude through the walls or the roof of the project except as authorized by the Association.

#### ARTICLE VII.

#### AMENDMENTS

Section 1. By-Laws. These By-Laws may be amended by the Association in a duly constituted meeting for such purpose and no amendment shall take effect unless approved by owners representing at least 75% of the total value of all units in the project as shown in the Enabling Declaration.

### ARTICLE VIII.

#### MORTGAGEES

Section 1. Notice to Association. An owner who mortgages his unit, shall notify the Association through the Management Agent, if any, or the President or the Board of Directors in the event there is no Management Agent, the name and address of his mortgagee; and the Association shall maintain such information in a book entitled "Mortgagees of Units."

Section 2. Notice of Unpaid Assessments. The Association shall at the request of a mortgagee of a unit report any unpaid assessments due from the owner of such unit.

# ARTICLE IX.

#### COMPLIANCE

These By-Laws are set forth to comply with the requirements of the Act. In case any of these By-Laws conflict with the provisions of the Act, it is hereby agreed and accepted that the provisions of the Act will apply.

> RECORDER'S MEMORANDUM: At the time of racordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blockouts, additions and changes were present at the time the instrument was filed and recorded.

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# FILED FOR RECORD

# 8:00:00 AM

Tuesday, July 11, 2017

Stan Stanart

COUNTY CLERK, HARRIS COUNTY, TEXAS

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

THE STATE OF TEXAS COUNTY OF HARRIS

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I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED; in the Official Public Records of Real Property of Harris County Texas

Tuesday, July 11, 2017



Stan Stanart

COUNTY CLERK HARRIS COUNTY, TEXAS

# BY-LAWS OF

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ASSOCIATION OF OWNERS OF

# SHERBROOKE SQUARE TOWNHOMES

#### ARTICLE I.

#### PLAN OF APARTMENT OWNERSHIP

Section 1. Apartment Ownership. The project located on the real property described in Exhibit "A" attached hereto, located in the City of Houston, State of Texas, known as "Sherbrooke Square Townhomes" is submitted to the provisions of the Texas Condominium Act (Texas Revised Civil Statutes, Article 1301a, hereinafter called the "Act").

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the project. (The term "project" as used herein shall include the land.)

Section 3. Personal Application. All present or future owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these By-Laws.

The mere acquisition or rental of any of the family units (hereinafter referred to as "units") of the project or the mere act of occupancy of any of said units will signify that these By-Laws are accepted, ratified and will be complied with.

### ARTICLE II.

#### VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Voting. Voting shall be on a percentage basis and the percentage of the vote to which the owner is entitled is the percentage assigned to the family unit or units in the Enabling Declaration.

Section 2. Majority of Owners. As used in these By-Laws the term "majority of owners" shall mean those owners holding 51% of the votes in accordance with the percentages assigned in the Enabling Declaration.

TELEVISION STRATE

Section 3. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a "majority of owners" as defined in Section 2 of this Article shall constitute a quorum.

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# ARTICLE III.

# ADMINISTRATION

Section 1. Association Responsibilities. The owners of the units will constitute the Association of Owners (hereinafter referred to as "Association") who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments and arranging for the management of the project pursuant to an agreement, containing provisions relating to the duties, obligations, removal and compensation of the management agent. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of owners.

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

Section 3. Annual Meetings. The first annual meeting of the Association shall be held when called by the initial Board of Directors upon ten (10) days written notice to the owners. Such written notice may be given at any time but must be given not later than 120 days after completion of transfer to owners of units for use as their residence representing eighty percent (80%) of the votes of all unit owners, exclusive of the votes of owners of units within any future expansion of the project. Thereafter, the annual meetings of the Association shall be held on a day designated by the Board of Directors during the same month of each succeeding year. At such meetings there shall be elected by ballot of the owners a Board of Directors in accordance with the requirements of Section 5 of Article IV of these By-Laws. The owners may also transact such other business of the Association as may properly come before them.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the owners as directed by resolution of the Board of Directors or upon a petition signed by a majority of the owners and having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths of the owners present, either in person or by proxy.

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

Section 6. Adjourned Meetings. If any meeting of owners cannot be organized because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

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

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

#### ARTICLE IV.

### BOARD OF DIRECTORS

Section 1. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors. Subsequent to the first annual meeting of the Association, the Board of Directors must be composed of five (5) persons, all of whom must be owners of units in the project.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do. all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the owners.

Section 3. Other Duties. In addition to duties imposed by these By-Laws or by resolutions of the Association, the Board of Directors shall be responsible for the following:

- (a) Care, upkeep and surveillance of the project and the common areas and facilities and the restricted common areas and facilities.
- (b) Collection of monthly assessments from the owners.
- (c) Designation and dismissal of the personnel necessary for the maintenance and operation of the project, the common areas and facilities and the restricted common areas and facilities.

Section 4. Management Agent. The Board of Directors may employ for the Association a management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 3 of this Article. Any management agent selected by the Board of Directors must be a professional manager with experience managing multiple unit projects in the Houston, Texas area. The members of the Board of Directors shall not be liable for any omission or improper exercise by the management agent of any such duty, power or function so delegated. Such delegation shall be by written instrument executed by a majority of the members of the Board of Directors, which shall be for a term of not more than one year and shall be terminable by either party upon thirty (30) days written notice. Any decision by the Board of Directors to terminate professional management and assume self-management shall require the prior written approval of all mortgagees of the townhome units.

Section 5. Election and Term of Office. At the first annual meeting of the Association the term of office of

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

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

Section 7. Removal of Directors. At any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by a majority of the owners and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

Section 8. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

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

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

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

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

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

### ARTICLE V.

### OFFICERS ·

Section 1. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by and from the Board of Directors. The Directors may appoint an assistant treasurer, and an assistant secretary, and such other officers as in their judgment may be necessary. (in the case of an Association of one hundred owners or less, the offices of Treasurer and Secretary may be filled by the same person.) Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

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

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

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

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

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

## ARTICLE VI.

# OBLIGATIONS OF THE OWNERS

Section 1. Assessments. All owners are obligated to pay monthly assessments imposed by the Association to meet all project communal expenses, which may include a liability insurance policy premium, an insurance premium for a policy to cover repair and reconstruction work in case of hurricane, fire, earthquake or other hazard, and the amount payable by the Association for the annual maintenance fund charge pursuant to the provisions of the Protective Covenants of Plaza del Oro, as recorded in Volume 8201, Page 381 of the Deed Records of Harris County, Texas, as amended. The assessments shall be made pro rata according to the value of the unit owned, as stipulated in the Master Deed. Such assessments shall include monthly payments to a General Operating Reserve and a Reserve Fund for Replacemens.

# Section 2. Maintenance and Repair.

(a) Every owner must perform promptly all maintenance and repair work within his own unit, which if omitted would affect the project in its entirety or in a part belonging to other owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) All the rapairs of internal installations of the unit such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, lamps and all other accessories belonging to the unit area shall be at the owner's expense.

(c) An owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common area and facility damages through his fault.

Section 3. Use of Family Units - Internal Changes.

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

(b) An owner shall not make structural modifications or alterations in his unit or installations located therein without previously notifying the Association in writing, through the Management Agent, if any, or through the President or the Board of Directors, if no management agent is employed. The Association shall have the obligation to answer within thirty (30) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

# Section 4. Use of Common Areas and Facilities and Restricted Common Areas and Facilities.

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

# Section 5. Right of Entry.

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

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

### Section 6. Rules of Conduct.

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

(b) Residents shall exercise extreme care about making noises or the use of musical instruments, radios, television and amplifiers that may disturb other residents. Residents keeping domestic animals will abide by the Municipal Sanitary Regulations.

(c) It is prohibited to hang garments, rugs, etc., from the windows or from any of the facades of the project. (e) It is prohibited to throw garbage or trash outside the disposal installations provided for such purposes in the service areas.

(f) No owner, resident or lessee shall install wiring for electrical or telephone installation, television antennae, machines or air conditioning units, etc., on the exterior of the project or that protrude through the walls or the roof of the project except as authorized by the Association.

### ARTICLE VII.

#### AMENDMENTS

Section 1. By-Laws. These By-Laws may be amended by the Association in a duly constituted meeting for such purpose and no amendment shall take effect unless approved by owners representing at least 75% of the total value of all units in the project as shown in the Enabling Declaration.

### ARTICLE VIII.

### MORTGAGEES

Section 1. Notice to Association. An owner who mortgages his unit, shall notify the Association through the Management Agent, if any, or the President or the Board of Directors in the event there is no Management Agent, the name and address of his mortgagee; and the Association shall maintain such information in a book entitled "Mortgagees of Units."

Section 2. Notice of Unpaid Assessments. The Association shall at the request of a mortgagee of a unit report any unpaid assessments due from the owner of such unit.

## ARTICLE IX.

#### COMPLIANCE

These By-Laws are set forth to comply with the requirements of the Act. In case any of these By-Laws conflict with the provisions of the Act, it is hereby agreed and accepted that the provisions of the Act will apply. THENCE: S 02° 47' 56" E, 63.00 feet to a point for corner;

THENCE: N 87° 12' 04" E, 206.00 feet to a point for corner; said point being the Northeast corner of the herein described tract of land;

THENCE: S 02° 47' 56" E, 214.30 feet to a set 5/8 inch iron rod for corner in the North line of Holly Hall; said point being the Southeast corner of the herein described tract of land;

THENCE: 5 87º 27' 12" W. along the North line of Holly

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ENABLING DECLARATION FOR SHERBROOKE SQUARE TOWNHOMES 4 04 PH 1980

COUNTY CLERK COUNTY CLERK HARRIS CLUNTY, TEXAS KNOW ALL MEN BY THESE PRESENTS:

THE STATE OF TEXAS

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COUNTY OF HARRIS

THIS ENABLING DECLARATION, made in the County of Harris, State of Texas, on this 15 day of <u>Austennew</u>, 1980, by SHERBROOKE SQUARE CORPORATION, a Texas corporation (hereinafter referred to as "Grantor"), pursuant to the provisions of the Texas Condominium Act (Texas Revised Civil Statutes, Article 1301a, hereinafter referred to as the "Act").

# WITNESSETH:

WHEREAS, the Grantor is the fee simple owner of that certain real property situated in Harris County, Texas, and more particufarly described as follows:

1.581 acres of land out of Tract 8 as conveyed from Hermann Hospital Estate to Shell Oil Company, as recorded in Volume 8016, Pages 8-22, inclusively, of the Harris County Deed Records, all in the P. W. Rose Survey, A-645, Harris County, Texas:

BEGINNING: At a point in the North line of Holly Hall, a 120-foot right-of-way; said point being a found 5/8 inch iron rod at the intersection of the North line of Holly Hall and the East line of Cambridge, a 120-foot right-of-way; said point also being the most Southerly Southwest corner of the herein described tract of land;

THENCE: N 47° 40' 25" W, along the East line of Cambridge, 14.17 feet to a found 5/8 inch iron rod for corner; said point being the most Westerly Southwest corner of the herein described tract of land;

THENCE: N 62° 47' 56" W, along the East line of Cambridge, 266.00 feet to a set 5/8 inch iron rcd for corner; said point being the Northwest corner of the herein described tract of land;

THENCE: N 87° 12' 04" E, perpendicular to the East line of Cambridge, 90.00 feet to a point for corner;

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 A freehold estate consisting of the remaining portion of the real property as described and referred to herein as the "common areas and facilities", as shown on Exhibit Λ.

.B. <u>Common Areas and Facilities</u>. For the purpose of this declaration, the ownership of each condominium shall include the respective undivided interest in the common areas and facilities specified and established in Paragraph "E" hereof. The term "common areas and facilities", as used herein, shall have the same meaning as the term "general common elements" as used in the Act.

C. <u>Restricted Common Areas and Facilities</u>. A portion of the common areas and facilities is hereby set aside and allocated for the respective condominium units as is hereinafter designated, and as shown on Exhibit A, attached hereto, and said areas shall be known as "restricted common areas and facilities". The term "restricted common areas and facilities", as used herein, shall have the same meaning as the term "limited common elements" as used in the Act.

D. <u>Condominium Units</u>. The 34 individual condominium units hereby established and which shall be individually conveyed are shown on Exhibit A, the boundaries of which shall include the interior surfaces of the perimeter walls, floors and ceilings and the exterior surfaces of balconies. The term "condominium unit", as used herein, shall have the same meaning as the term "Apartment", as used in the Act.

Percentage of Undivided Interest. The percentage of E. undivided interest in the common areas and facilities hereby established which shall be conveyed with each respective condominium unit, as of the date hereof, is the percentage set forth opposite the number of such condominium unit in Exhibit "B" attached hereto. If the condominium regime hereby established is expanded hereafter to include all or any part of the real property described in Exhibit "C" attached hereto, as hereinafter provided in Paragraph "V" hereof, then (and only in such event) the percentage of undivided interest in the common areas and facilities (as so expanded) conveyed with each respective condominium unit shall be reallocated in the manner hereinafter provided in Paragraph "V". Except in the event of any such expansion of the condominium regime, the respective undivided interests established and to be conveyed with the respective condominium units, as indicated in Exhibit "B" attached hereto, cannot be changed; and said Grantor, its successors and assigns, and grantees, covenant and agree that the undivided interests in the common areas and facilities and the fee titles to the respective condominium units conveyed

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therewith, together with the restricted common areas and facilities allocated for the exclusive use of the respective condominium units, shall not be separated or separately conveyed; and each said undivided interest and allocated restricted common areas and facilities shall be deemed to be conveyed or encumbered with its respective condominium unit even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to the condominium unit.

F. Proportionate Shares; Voting. The proportionate shares of the separate owners of the respective condominium units in the profits and common expenses in the common areas and facilities, as well as their proportionate representation for voting purposes in the Association of Owners, shall be percentages established for each condominium unit as provided in Paragraph "E" hereof. There shall be one vote in the affairs and management of the Association for each unit, weighted in proportion to the percentages established in Paragraph "E", except as the same may be reallocated pursuant to Paragraph "V". In the event that ownership interests in a unit are owned by more than une member of the Association, the members who own fractional interests in such unit aggregating more than fifty (501) percent of the whole ownership thereof shall appoint one member who shall be entitled to vote the vote of that unit at any meeting of the Association. 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 the members. In the event that a unit 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 unit, then none of such members shall be allowed to vote. All members of the Association may be present at any meeting of the As ociation and may act at such meetings either in person or by proxy.

Notwithstanding any other provisions contained herein, the Grantor shall be entitled to four (4) votes in the affairs and administration of the Association for each unit owned by it until such time as the number of units owned by owners other than the Grantor is equal to or exceeds the number of votes to which the Grantor is entitled under this Paragraph, whereupon the Grantor shall be entitled to one (1) vote for each unit owned by it. If the Condominium regime hereby established is expanded, as hereinafter provided in Paragraph "V" hereof, the Grantor shall be entitled (or re-entitled) to four (4) votes in the affairs and administration of the Association for each unit owned by it in the entire condominium (as so expanded) until such time as the mamber of units in the entire condominium (as so expanded) owned by owners other than the Grantor is equal to or exceeds the member of votes to which the Grantor is entitled (or re-entitled)

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under this Paragraph, whereupon the Grantor shall be entitled to one (1) vote for each unit owned by it.

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G. <u>Description of Restricted Common Areas and Facilities</u>. The restricted common areas and facilities allocated for the restricted use of the respective condominium units are set forth and described in Exhibit "A" attached hereto and made a part hereof.

H. <u>General Provisions, Easements and Restrictions</u>. Said Grantor, its successors and assigns, by this declaration, and all future owners of the condominium units, by their acceptance of their deeds, covenant and agree as follows:

The common areas and facilities shall remain undivided; and no owner shall bring any action for partition, it being agreed that this restriction is necessary in order to preserve the rights of the owners with respect to the operation and management of the condominium. No condominium unit may be partitioned or subdivided without the prior written approval of the holder of any first mortgage lien on such unit.

- 2. The condominium units shall be occupied and used by the respective owners only as a private dwelling for the owner, his family, tenants and social guests and for no other purpose.
- 3. The owner of each respective condominium unit shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding his respective condominium unit, nor shall said owner be deemed to own pipes, wires, conduits or other public utility lines running through said condominium unit which are utilized for, or serve more than one (1) condominium unit, except as tenant in common with the other condominium unit owhers as hereinabove provided in Paragraph "E". Said owner, however, shall be deemed to own the walls and partitions which are contained in said owner's respective condominium unit, and also shall be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floors and cailings, including any finishing materials applied or affixed to the interior surfaces of the interior walls, floors or ceilings (such as, but without limitation, paint, wallpaper, vinyl wall or floor coverings and carpets); interior

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walls and floors; and all utility pipes, lines, systems, fixtures or appliances servicing only said owner's respective condominium unit (whether or not within the boundaries of that unit); the interior surfaces of windows and doors, perimeter window frames and door frames; the interior trim around windows and doors as well as door or window glass and hardware; and visible or exposed plumbing fixtures, lines and pipes located within the boundaries of such condominium unit; and the exterior surfaces of balconies (i.e., the area enclosed by (i) those horizontal planes being the top of the concrete surface of the balcony in question and the plane of the ceiling of the unit of which such balcony is a part, and (ii) those vertical planes being the vertical exterior surfaces of the building and those planes adjacent to the vertical interior edges of the balcony, all other portions of the balcony being deemed to be part of the common areas and facilities).

- 4. The owners of the respective condominium units agree that if any portion of the common areas and facilities encroaches upon the condominium units, or if any condominium unit encroaches upon the common areas and facilities, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of an owner or owners if said encroachment occurred due to the willful conduct of said owner or owners. In the event the multi-family structure is partially or totally destroyed, and then rebuilt, the owners of condominium units agree that minor encroachments of parts of the common areas and facilities upon the condominium units or parts of the condominium units upon the common areas and facilities due to construction shall be permitted and that valid easements for said encroachments and the maintenance thereof shall exist.
- 5. Every wall depicted on Exhibit A as being partly in one condominium unit and partly in an adjacent condominium unit is a party wall, and the owner of each condominium unit shall have the right to use and enjoy the party wall jointly with the owner of the adjacent unit; that each such condominium unit shall have the benefit of, and be burdened with, a

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perpetual easement to the extent that such party wall shall deviate from the vertical by reason of any shifting of the building, or any part thereof; and that should such party wall be injured or damaged by any cause other than the deliberate or negligent conduct of either such condominium unit owner, it shall be repaired at the joint expense of such adjacent owners.

- Every condominium unit owner shall have a perpetual 6. easement in, upon, through and over the land of the condominium regime, to keep, maintain, use, operate, repair and replace: (a) his condominium unit, in its original position, and in every subsequent position to which it changes by reason of the gradual forces of nature and of the elements, whether such subsequent position be, in whole or in part, adjacent, sub-adjacent, or supra-adjacent to said original position; (b) every chimney, cupola, weathervane, stack or vent, if originally installed by the Grantor; (c) every threshold, screen door, storm window, shutter, hood, awning and all hardware pertaining thereto; (d) every rain gutter, downspout, roof overhang and exterior wall light, if originally installed by the Grantor.
- 7. Every condominium unit owner shall have a perpetual easement in the land of the condominium regime for the subterranean installations, maintenance and repair of any pipe, cable, wire or other conduit of liquids or energy supplying water, sewerage, telephone, radio, television, electricity, heat, steam or other similar service to the unit owned by him, subject, however, to the provision that the work of installation or repair shall be performed by the Association of Owners or the agent of the Association.

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8. An owner of a condominium unit shall automatically, upon becoming the owner of a condominium unit or units, be a member of the Association of Owners for this condominium regime, hereinafter referred to as the "Association", and shall remain a member of said Association until such time as his ownership ceases for any reason, at which time his membership in said Association shall automatically cease.

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- 9. The owners of condominium units covenant and agree that the administration of the condominium regime shall be in accordance with the provisions of this Declaration and the By-Laws of the Association, hereinafter referred to as the "By-Laws".
- 10. Each owner, tenant or occupant of a condominium unit shall comply with the provisions of this the By-Laws, decisions and resolutions of the Association or its representative, as lawfully amended from time to time, and failure to comply with any such provisions, decisions or resolutions, shall be grounds for an action by the Association and/or any aggrieved unit owner to recover sums due, for damages, or for injunctive relief, or both.
- 11. This Declaration shall not be revoked or any of the provisions herein amended unless all of the owners and the mortgagees of all of the mortgages covering the condominium units unanimously agree to such revocation or amendment by duly recorded instruments.
- 12. No owner of a condominium unit may exempt himself from liability for his contribution towards the common expenses by waiver of the use or enjoyment of any of the common areas and facilities or by the abandonment of his condominium unit.
- 13. No noxious or offensive activities of any sort shall be permitted, nor shall anything be done in any condominium unit or any of the common areas and facilities which shall be or may become an annoyance or nuisance to the other owners.
- 14. Nothing shall be done in or kept in or on any unit, balcony, common areas and facilities or restricted common areas and facilities which will increase the rate of insurance on the buildings and improvements in the condominium or any other condominium unit over that applicable to residential buildings, or would result in the uninsurability of buildings and improvements in this condominium regime, or any part thereof, or the cancellation, suspension, modification or reduction of insurance in or on or covering the condominium units in this condominium regime or any part thereof.
- 15. 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 cf any common areas and facilities, protruding from any balcony or through any wall, floor, ceiling, window or door which is part of the common areas and facilities, except as approved by the Association. All radios, televisions, electrical equipment or appliances of any kind or nature and the wiring therefor installed or used in a condominium unit shall fully comply with all rules, regulations or requirements of all state and local public authorities having jurisdiction.

Section.

16. Each owner shall promptly and fully comply with any and all applicable laws, rules, ordinances, statutes, regulations or requirements of any governmental agency or authority with respect to the occupancy and use of his condominium unit and with the provisions hereof.

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- 17. No animals, livestock or poultry of any kind shall be raised, bred or kept in or on any of the condominium units, except for household pets which are not kept, bred or maintained for any commercial purposes.
- 18. No advertising signs, billboards, unsightly objects or nuisances shall be erected, placed or permitted on or in any condominium unit or in the common areas and facilities, nor shall any unsightly materials be used to cover windows in the condominium units (including aluminum foil or other mirrored or reflective material); nor shall any condominium unit or the common areas or facilities be used in any way or for any purpose which may endanger the health or unreasonably disturb the owner of any condominium unit or any resident thereof. Grantor, however, shall have the sole right to erect signs related to or in connection with the sale of condominium units by Grantor.
- 19. All clothes lines, equipment or storage piles shall be kept within screened areas so as to conceal them from view of neighboring units, parking spaces and streets. All rubbish, trash and garbage shall be kept in containers in areas designated by the Association for collection purposes.

SHERBROOKE S( TOWNHOMES A CONDOMINIUN CONDOMINIUM F HARRIS COUNTY VOL. 112 F 20. Except in the individual patio areas appurtenant to a unit, no planting or gardening shall be done, and no fences or hedges shall be erected or maintained, except such as are installed in accordance with the initial construction of the condominium or as approved in writing by the Association.

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- 21. Parking spaces (whether covered or open) shall be restricted common areas and facilities for the exclusive use of the owner of the condominium unit to which they are assigned of record by the Grantor herein. Once such parking space or spaces have been assigned by the Grantor, such parking space or spaces being restricted common areas and facilities, the same shall be perpetually appurtenant to the condominium unit to which they are assigned. Any conveyance of any condominium unit shall be deemed also to convey such parking space or spaces even though made without specifically or particularly referring to the same. No parking space in the common areas and facilities or the restricted common areas and facilities shall, without the express written permission of the Association, be used for storage of boats, trailers, campers, unused or inoperable automobiles or any other items which the Association deems unsightly or inappropriate.
- 22. There is hereby created a blanket easement on behalf of the Association, or its duly authorized representative, in, upon, across, over and under the land of the condominium regime, the units and other improvements thereon for the purpose of:

(a) Making repairs therein;

(b) Performing necessary maintenance or repairs to or replacements of the common areas and facilities for which the Association is responsible (regardless of any present or future encroachments of the common areas and facilities upon any unit);

(c) Abating any nuisance or any dangerous, unauthorized, prohibited or unlawful activity being conducted or maintained in a unit;

(d) Protecting the property rights and welfare of unit owners; and

(e) Enforcing the provisions of this Enabling De aration, the By-Laws of the Association or the Act.

Except in the event of an emergency, such easement and right of entry shall be exercised only in the presence of the owner or other occupant of the unit which is entered. In all events, such easement and 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 unit by the owner or occupant thereof and shall, whenever possible, be preceded by reasonable notice to the owner or occupant thereof.

Lien for Assessments; Working Capital Fund, Rates of Ι. Assessment. All sums assessed by the Association but unpaid for the share of the common expenses chargeable to any condominium unit shall constitute a lien on such condominium unit prior to all other liens except only (1) tax liens on the condominium unit in favor of any assessing unit and special district, and (2) all sums unpaid on the first mortgage of record. Such lien may be foreclosed by suit by the Manager or Board of Directors of the Association, acting on behalf of the owners of the condominium units, in like manner as a mortgage of real property. In any such foreclosure, the condominium unit owner shall be required to pay a reasonable rental for the condominium unit, if so provided in the By-Laws, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Manager or Board of Directors, acting on behalf of the owners of the condominium units, shall have the power to bid in the unit at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same.

At the closing of the initial purchase of a condominium unit from the Grantor, the owner shall be required to pay an amount equal to two times the then current monthly amount of assessment for common expenses chargeable to such condominium unit as and for a working capital fund. Said working capital fund shall be used to pay the costs and expenses of the initial months of operation of the condominium regime.

All assessments on all units, whether owned by the Grantor or an owner of an individual condominium unit, must be fixed at uniform rates as follows:

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(a) Functioning U<sup>-i</sup>ts, those units which have been conveyed to an own of an individual condominic unit being provided maintenance, waste disposal, garbage and other services as herein provided, shall be assessed the full assessment as set by the Association;

(b) <u>Completed Units</u>, those units which are completely constructed and ready for occupancy but which have not been conveyed to an owner of an individual condominium unit shall be assessed twenty percent (20%) of the full assessment as set by the Association as herein provided.

(c) <u>Uncompleted Units</u>, those units which are under construction shall not be assessed for common expenses.

Notwithstanding the foregoing provisions, the Grantor shall make up the difference, if any, between the actual cost of maintenance of the common areas and facilities and the total common expense charges due as herein provided until such time as eighty percent (80%) of the units are sold to individual condominium unit owners. However, the Grantor's obligations under this provision shall be extinguished with respect to Grantor and become a liability of Grantor's successors and assigns in proportion to their ownership interest in the condominium.

J. Unpaid Assessments After Foreclosure. Where the mortgagee of a first mortgage of record or other purchaser of a condominium unit obtains title to the unit as a result of foreclosure of the first mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of the common expenses or assessments by the Association chargeable to such condominium unit which became due prior to the acquisition of title to such condominium unit by such acquirer, except for claims for a pro-rata share of such expenses or assessments resulting from a pro-rata reallocation of such expenses or assessments to all units in the condominium regime hereby established, including the mortgaged unit.

K. Lease of Condominium Units. The respective condominium units shall not be rented by the owners thereof for transient or hotel purposes, which shall be defined as (a) rental for any period less than thirty (30) days; or (b) any rental if the occupants of the condominium unit are provided customary hotel services, such as room service for food and beverage, maid service, furnishing laundry and linen, and bellboy service. Other than the foregoing obligations, the owners of the respective condominium units shall have the absolute right to lease same, provided that said lease shall be in writing, shall be made subject to the covenants and restrictions contained in this Declaration and the

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By-Laws, and shall further provide that any failure by the Lessee to comply with the terms of such documents shall be a default under the Lease. No such lease shall be for less than the entire condominium unit.

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L. Fire or Casualty; Rebuilding. In the event the property subject to this Enabling Declaration is damaged or destroyed, in whole or in part, by fire or other casualty, the repair, reconstruction or disposition of the property shall be governed by the following provisions:

> Within thirty (30) days after any such damage or -l.· destruction, the Board of Directors shall determine whether such loss comprises the whole or more than two-thirds (2/3rds) of the buildings which are subject to this condominium regime. Unless otherwise provided by law, such determination shall be made by determining whether the cost of necessary repair or reconstruction would exceed two-thirds (2/3rds) of the cost of reconstructing the buildings as they existed prior to such fire or other casualty. In the event of fire or other casualty damage which does not comprise more than two-thirds (2/3rds) of the buildings, unless otherwise unanimously agreed to by the owners, the buildings shall be repaired and reconstructed substantially in accordance with the original plans and specifications for the buildings, in accordance with the provisions hereof.

2. In the event that fire or other casualty damage comprises the whole or more than two-thirds (2/3rds) of the buildings, unless otherwise unanimously agreed by the owners. all proceeds of insurance policies carried by the Association and all accrued and collected common expenses or assessments by the Association (after deducting any unpaid common expenses or assessments for which such owner may be liable) shall be delivered to the owners or their mortgagees, as their respective interests may appear, in proportion to their respective undivided interests, as hereinabove provided in Paragraph "E", and the condominium regime established by this Enabling Declaration shall terminate. Upon such termination, the condominium units, the common areas and facilities, and the restricted common areas and facilities 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 percentage of undivided interest

> SHERBROOKE SQUA TOWNHOMES A CONDOMINIUM P CONDOMINIUM REC HARRIS COUNTY, VOL. 112 PA(

previously owned by each owner in the common areas and facilities, as hereinabove provided in Paragraph "E". In such case, unless otherwise unanimously agreed by all owners, the Board of Directors, as soon as reasonably possible and as agent for all owners, shall sell the property subject to this Enabling Declaration, in its then condition, free from the effect of this Enabling 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 respective interests may appear, in proportion to the percentage of undivided interest previously owned by each owner in the common areas and facilities, as hereinabove provided in Paragraph "E". If the Board of Directors fails to consummate a sale pursuant to the preceding sentence within twenty-four (24) months after the damage or destruction occurs, then the Board of Directors shall (or if the Board does not, any owner or mortgagee may) record a sworn statement setting forth such facts and reciting that under the provisions of this Enabling Declaration the prohibition against judicial partition hereinabove provided for in Paragraph H, Subparagraph 1, has terminated and that judicial partition of the property subject to this Enabling Declaration may be obtained pursuant to the laws of the State of Texas.

- 3. In the event of substantial damage to or destruction of any condominium unit, or any part of the common areas and facilities or the restricted common areas and facilities, any mortgagee of a condominium unit shall be given prompt written notice of any such damage or destruction.
- 4. In the event it is determined that the buildings shall be repaired and reconstructed, then all proceeds of insurance policies with respect to such fire or other casualty, carried by the Association, shall be paid to a bank (selected by the Board of Directors), as Trustee, insured by the Federal Deposit Insurance Corporation (or its successors) and located in Harris County, Texas, to be held in trust for the benefit of the condominium unit owners and their mortgagees, as their respective interests may appear. The Board of Directors shall thereupon contract on behalf of all condominium unit owners to repair or rebuild

the maged portions of all condom um units, the buildings, common areas and facilities and restricted common areas and facilities in accordance with the original plans and specifications therefor and the funds held in trust by such depository bank shall be used for this purpose and disbursed by the Board of Directors in accordance with the terms of the contract of repair and retuilding.

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- 5. In the event that such insurance proceeds are insufficient to provide for such repair, restoration or rebuilding, the building costs in excess of the insurance proceeds shall be assessed against all of the condominium unit owners, in proportion to the percentage of undivided interests of each owner in the common areas and facilities, as hereinabove provided in Paragraph "E". Such assessment shall be enforceable in the same manner as herein provided for other assessments hereunder The provisions of this subparagraph 5 may be changed only by unanimous resolutions of the owners and all mortgagees adopted subsequent to the date on which such fire or other casualty loss occurs.
- 6. Each condominium unit owner shall be responsible for the reconstruction, repair and replacement of all personal property and other property not part of the common areas and facilities, including, but not limited to, floor coverings, wall coverings, interior walls, furniture, furnishings, decorative light fixtures and appliances located therein.
- 7. Each condominium unit owner shall be responsible for the costs not otherwise covered by insurance carried by the Association caused by his negligence or misuse or by the negligence or misuse of his immediate family and his agents or employees in the course of their duties, and shall, to the extent not covered by insurance collected by the Association, indemnify the Association and all other owners against any such costs of reconstruction, repair and replacement of any portion of the buildings.

N. Unpaid Assessments After Voluntary Conveyance. In a voluntary conveyance of a condominium unit, the grantee of the unit shall be jointly and severally liable with the grantor thereof for all unpaid assessments by the Association against the

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THENCE: S 02° 47' 56" E, 63.00 feet to a point for corner;

THENCE: N 87° 12' 04" E, 206.00 feet to a point for corner; said point being the Northeast corner of the herein described tract of land;

THENCE: S 02° 47' 56" E, 214.30 feet to a set 5/8 inch iron rod for corner in the North line of Holly Hall; said point being the Southeast corner of the herein described tract of land;

THENCE: S 87° 27' 12" W, along the North line of Holly Hall, 286.00 feet to the place of beginning and containing 68,860.86 square feet or 1.581 acres of land more or less.

WHEREAS, the Grantor has constructed a multi-family project on the above described real property consisting of 34 units, and it is now the intention and desire of the Grantor to establish the above described real property as a condominium regime, hereinafter referred to and known as "SHERBROOKE SQUARE TOWNHOMES".

NOW, THEREFORE, said Grantor, hereby makes the following declaration as to divisions, covenants, restrictions, limitations, conditions and uses to which the above described real property and improvements thereon, consisting of a 34-unit multi-family project and appurtenances, may be put, hereby specifying that said declaration shall constitute covenants to run with the land and shall be binding on said Grantor, its successors and assigns, and all subsequent owners of all or any bart of said real property and improvements, together with their grantees, successors, heirs, executors, administrators, devisees or assigns:

A. Establishment of Condominium. Said Grantor, in order > establish a condominium regime, hereinafter referred to and Nown as "Sherbrooke Square Townhomes", and for the above-described operty and improvements, hereby covenants and agrees that it reby divides said real property into the following separate echold estates:

 The separately designated and legally described freehold cstates, each consisting of a condominium unit in the residential buildings lettered A through G, inclusive, as shown on the plat and as more fully in the plans, which plat and plans are attached hereto as Exhibit "A" and incorporated herein by reference and made a part hereof for all purposes. percentage of undivided interest of the unit ov rs in the common areas and f rilities, except in the event of expansion of the ondominium pursuant to Paragraph "V" below.

The effectuation of any decision by the Association to terminate professional management and assume self-management of the condominium.

V. Expansion of Condominium. All or any part of the real property described in Exhibit "C" attached h reto and made a part hereof, together with such buildings, units, common areas and facilities, restricted common areas and facilities and other improvements as may be constructed thereon, may be annexed to the condominium regime hereby established by the Grantor, or its successors and assigns, at any time and from time to time, without the consent of the Association, the Board of Directors, any condominium unit owner, the holder of a mortgage lien on any condominium unit, or any third-party whatsoever, within fire years after the recording of this Enabling Declaration in the Condominium Records of Harris County, Texas, subject to the following provisions:

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- All improvements on said real property which may be annexed to the condominium will be of comparable style, floor plan, size and quality in order to preserve the appearance and value of the condominium.
- 2. In the event Grantor so elects to annex to the condominium the real property described in Exhibit "C" attached hereto, or any part thereof, Grantor shall, prior to each such annexation, record a certificate (the "Certificate of Annexation") in the Condominium Records of Harris County, Texas, which will, inter alia:

(a) be executed by the Grantor or its successors or assigns;

(b) contain a legal description of the land to be annexed to the Condominium;

(c) contain a sufficient description of the units built or to be built on the annexed land;

(d) contain a reallocation of the percentage of undivided interest in the common areas and facilities (as expanded by annexation) among all of the

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units in the ndominium regime hereby esta ished (as expanded  $\sim_f$  annexation), such reallocation to be based upon the approximate area (in square feet) of each cond minium unit expressed as a percentage of the approximate area (in square feet) of all condominium units in the condominium regime (as so expanded); and

(e) contain any other information required by law or necessary to effectuate the intent of this Paragraph V.

2. Thereafter the condominium shall be governed by this Enabling Declaration as if all of the annexed land and improvements had been a part of the condominium from the outset, and the percentage of undivided interest in the common areas and facilities (as so expanded) which shall be attributable to and conveyed with respect to each unit of the Condominium regime hereby established shall automatically be and become the percentage set forth in the Certificate of Annexation.

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- 3. Grantor further reserves the right, at any time, and from time to time, without requesting or receiving the assent or consent of any condominium unit owner or the holder of any mortgage lien on any concominium unic, to grant casements in favor of the land to be annexed to the Condominium and otherwise to take such action as may be deemed necessary by Grantor to effectuate the expansion of the Condominium. Each condominium unit owner hereby appoints Crantor as its attorney-in-fact for the purpose of effecting the provisions of this Paragraph "V" and the power hereby granted to Grantor shall be and is a power coupled with an interest which is irrevocable and shall not terminate on the death or disability of a condominium unit owner.
- 4. Upon the recordation of a Certificate of Annexation in compliance with the provisions of this Paragraph V adding additional property and improvements to the Condominium, this Enabling Declaration shall further apply to and affect all of the property described in this Enabling Declaration and the property described in such Certificate, and shall also bind all owners of any part of such additional property and improvements with the same effect as

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if such additional property and improvements were originally subject to and described in this Enabling Declaration. Thereafter, the powers and responsibilities of the Board of Directors shall be coextensive with regard to all property included within the expanded Condominium, and the Board of Pirectors shall, pursuant to the provisions of this Enabling Declaration, constitute the Board of Directors for the entire Condominium, as expanded, and the rights, obligations and duties of each Condominium owner shall be the same and identical to the rights, obligations and duties of the condominium owners prior to recordation of such Certificate of Annexation, except as each such Owner's percentage of undivided interest in the common areas and facilities may be modified in accordance with this Enabling Declaration upon any such annexation, it being specifically recognized and agreed that each owner's percentage of undivided interest in the common areas and facilities, as a percentage, shall be reduced by such annexation from the respective percentage set forth in Exhibit "B" attached hereto to the respective percentage set forth in the Certificate of Annexation. The Board of Directors shall thereupon continue to maintain one fund for the collection and disbursement of monies as required and permitted hereby for the maintenance, repair, replacement and operation of the expanded Condominium, and in all respects and meanings, the Condominium (as expanded) shall be deemed to be a single Condominium project for the purposes, and in accordance with the provisions of, this Enabling Declaration and the Act.

5. This Enabling Declaration, including, but not limited to this Paragraph "V", does not presently create any interest in or with respect to the property described in Exhibit "C" attached hereto, and this Enabling Declaration shall not affect in any manner all or any part of such property unless and until a Certificate of Annexation is filed with respect thereto in accordance with the provisions of this Paragraph "V".

W. Owners' Representative. The property subject to this Enabling Declaration heretofore has been designated as part of the "Project", as that term is defined in the Protective Covenants for Plaza Del Oro, filed for record in Volume 8201,

> SHERBROOKE SQUARE TOWNHOMES A CONDOMINIUM PROJE CONDOMINIUM RECORDS HARRIS COUNTY, TEXA VOL. 112 PAGE 37

Page 381 of the Deed Records of Harris County, Texas (the "Protective Covenants"), and said property heretofore has been subjected to the annual maintenance fund charge provided for in Article V of such Protective Covenants, reference being made to the Protective Covenants and all amendments thereto and the record thereof for all purposes. All condominium unit owners, including Grantor, and the Association of Owners are subject to all of the terms, provisions, conditions and restrictions of the aforesaid Protective Covenants, as amended.

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The Protective Covenants provide that the annual maintenance fund charge shall apply to the property subject to this Enabling Declaration and shall be secured by a lien against such property to secure payment thereof.

The Protective Covenants impose on all condominium unit owners, including Grantor and the Association of Owners, among other things, the duty of and responsibility for keeping the owner's land, buildings, improvements, appurtenances and landscaping in a well-maintained, safe, clean and attractive condition at all times. If such duty and responsibility are not fulfilled, the "Developer", as that term is defined in the Protective Covenants, has the right and power to perform such care and maintenance, and to obtain reimbursement for the cost thereof; and if such reimbursement is not made, the cost shall be a debt of all condominium unit owners and the Association of Owners and shall be secured by a lien against all of the property subject to this Enabling Declaration, including the individual condominium units thereon.

Accordingly, the Grantor, for each condominium unit within the condominium regime hereby established, hereby appoints, and each condominium unit owner by acceptance of a Deed therefor, whether or not it shall be expressed in any such Deed, shall be deemed to appoint, the Association of Owners as the sole representative of all condominium unit owners for the purposes of receiving notices, paying all annual maintenance fund charges and other bills made and submitted pursuant to the Protective Covenants, casting of the entire vote to which the property subject to this Enabling Declaration is or may be entitled, and any and all other matters in any manner related to the provisions of the Protective Covenants as the same are applicable to the condominium regime hereby established.

IN WITNESS WHE this day of	REOF, Grantor has executed this instrument
	SHERBROOKE SQUARE CORPORATION
ATTEST:	BY: Hulle
A. Jakan	Adrian Gilbert Vice President

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Takacs	Hssiston/	Secretary

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THE STATE C LEXAS S S COUNTY OF HARRIS S

BEFORE ME, the undersigned authority, on this day personally appeared  $\underline{Adr/AN} \ \underline{Glbert}, \underline{Vice}$  President of SHERBROOKE SQUARE CORPORATION, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of said corporation, for the purposes and consideration therein expressed, and in the capacity therein stated, and that he was authorized to do so.

day GIVEN under my hand and seal of office, this the  $\frac{15^{7L}}{1980}$ 

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day ostar My Collard OF HARRY Expires: ÖS

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Lary Public in. Harris County, T E X A S

October 10, 1981

LINDA ERWING Notary Public in Harris County, Texas My Commission Expires October 10, 1931 Bonded by L. Alexander Lovett, Lawyers Surety Corp.

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## JOINDER OF MORTGAGEE

The undersigned, WESTERN BANK, a state banking association (hereinafter called "Lender"), being the owner and holder of liens against the real property described in the annexed and foregoing Declaration, does hereby consent to and join in the Declaration.

This consent and joinder shall not be construed or operate is a release of said mortgage or liens owned and held by Lender, or any part thereof, but Lender agrees that its said mortgage and liens shall hereafter be upon and against said real property and all appurtenances thereto subject to the Declaration.

EXECUTED this 15th day of September, 1980.

ATTEST:

WESTERN BANK

tary Asky Cashier Sharin J. Tucker

By: R.V. Buridente

R.V. Breidenbach

THE STATE OF TEXAS § COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared <u>R.V. Breiden back</u>, <u>Comm. Loan Officer</u> of WESTERN BANK, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

		,GIVEN	UNDER	MY	HAND	AND	SEAL	OF	OFFICE,	this	15th
day	of	Septem	ber)		, 1980	).					

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Barbara P. peynolds Barbara P. ge Remolds NOTARY PUBLIC' IN AND, FOR HARRIS COUNTY, TEXAS 0F 1125.

My Commission Expires:

4-14-84

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BLING DE	CLARATION	FOR	SHERBROOKE	SQUARE	TOWNHOMES 4 OU PH 1980	
OF TEXA					COUNTY CLERK HARRIS COUNTY, TEXAS	

THE STATE OF TEXAS

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KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF HARRIS S

THIS ENABLING DECLARATION, made in the County of Harris, State of Texas, on this 15 day of <u>Augton fu</u>, 1980, by SHERBROOKE SQUARE CORPORATION, a Texas corporation (hereinafter referred to as "Grantor"), pursuant to the provisions of the Texas Condominium Act (Texas Revised Civil Statutes, Article 1301a, hereinafter referred to as the "Act").

WITNESSETH:

WHEREAS, the Grantor is the fee simple owner of that certain real property situated in Harris County, Texas, and more particufarly described as follows:

1.581 acres of land out of Tract 8 as conveyed from Hermann Hospital Estate to Shell Oil Company, as recorded in Volume 8016, Pages 8-22, inclusively, of the Harris County Deed Records, all in the P. W. Rose Survey, A-645, Harris County, Texas:

BEGINNING: At a point in the North line of Holly Hall, a 120-foot right-of-way; said point being a found 5/8 inch iron rod at the intersection of the North line of Holly Hall and the East line of Cambridge, a 120-foot right-of-way; said point also being the most Southerly Southwest corner of the herein described tract of land;

THENCE: N 47° 40' 25" W, along the East line of Cambridge, 14.17 feet to a found 5/8 inch iron rod for corner; said point being the most Westerly Southwest corner of the herein described tract of land;

THENCE: N 62° 47' 56" W, along the East line of Cambridge, 266.00 feet to a set 5/8 inch iron rcd for corner; said point being the Northwest corner of the herein described tract of land;

THENCE: N 87° 12' 04" E, perpendicular to the East line of Cambridge, 90.00 feet to a point for corner;

> SHERBROOKE SQL TOWNHOMES

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THENCE: 5 02° 47' 56" E, 63.00 feet to a point for corner;

THENCE: N 87° 12' 04" E, 206.00 feet to a point for corner; said point being the Northeast corner of the herein described tract of land;

THENCE: S 02° 47' 56" E, 214.30 feet to a set 5/8 inch iron rod for corner in the North line of Holly Hall; said point being the Southeast corner of the herein described tract of land;

THENCE: S 87° 27' 12" W, along the North line of Holly Hall, 286.00 feet to the place of beginning and containing 68,860.86 square feet or 1.581 acres of land more or less.

WHEREAS, the Grantor has constructed a multi-family project on the above described real property consisting of 34 units, and it is now the intention and desire of the Grantor to establish the above described real property as a condominium regime, hereinafter referred to and known as "SHERBROOKE SQUARE TOWNHOMES".

NOW, THEREFORE, said Grantor, hereby makes the following declaration as to divisions, covenants, restrictions, limitations, conditions and uses to which the above described real property and improvements thereon, consisting of a 34-unit multi-family project and appurtenances, may be put, hereby specifying that said declaration shall constitute covenants to run with the land and shall be binding on said Grantor, its successors and assigns, and all subsequent owners of all or any part of said real property and improvements, together with their grantees, successors, heirs, executors, administrators, devisees or assigns:

A. Establishment of Condominium. Said Grantor, in order o establish a condominium regime, hereinafter referred to and nown as "Sherbrooke Square Townhomes", and for the above-described operty and improvements, hereby covenants and agrees that it reby divides said real property into the following separate echold estates:

 The separately designated and legally described freehold estates, each consisting of a condominium unit in the residential buildings lettered A through G, inclusive, as shown on the plat and as more fully in the plans, which plat and plans are attached hereto as Exhibit "A" and incorporated herein by reference and made a part hereof for all purposes.  A freehold estate consisting of the remaining portion of the real property as described and referred to herein as the "common areas and facilities", as shown on Exhibit A.

.B. Common Areas and Facilities. For the purpose of this declaration, the ownership of each condominium shall include the respective undivided interest in the common areas and facilities specified and established in Paragraph "E" hereof. The term "common areas and facilities", as used herein, shall have the same meaning as the term "general common elemer.s" as used in the Act.

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C. Restricted Common Areas and Facilities. A portion of the common areas and facilities is hereby set aside and allocated for the respective condominium units as is hereinafter designated, and as shown on Exhibit A, attached hereto, and said areas shall be known as "restricted common areas and facilities". The term "restricted common areas and facilities", as used herein, shall have the same meaning as the term "limited common elements" as used in the Act.

D. <u>Condominium Units</u>. The 34 individual condominium units hereby established and which shall be individually conveyed are shown on Exhibit A, the boundaries of which shall include the interior surfaces of the perimeter walls, floors and ceilings and the exterior surfaces of balconies. The term "condominium unit", as used herein, shall have the same meaning as the term "Apartment", as used in the Act.

E. Percentage of Undivided Interest. The percentage of undivided interest in the common areas and facilities hereby established which shall be conveyed with each respective condominium unit, as of the date hereof, is the percentage set forth opposite the number of such condominium unit in Exhibit "B" attached hereto. If the condominium regime hereby established is expanded hereafter to include all or any part of the real property described in Exhibit "C" attached hereto, as hereinafter provided in Paragraph "V" hereof, then (and only in such event) the percentage of undivided interest in the common areas and facilities (as so expanded) conveyed with each respective condominium unit shall be reallocated in the manner hereinafter provided in Paragraph "V". Except in the event of any such expansion of the condominium regime, the respective undivided interests established and to be conveyed with the respective condominium units, as indicated in Exhibit "B" attached hereto, cannot be changed; and said Grantor, its successors and assigns, and grantees, covenant and agree that the undivided interests in the common areas and facilities and the fee titles to the respective condominium units conveyed

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therewith, together with the restricted common areas and facilities allocated for the exclusive use of the respective condominium units, shall not be separated or separately conveyed; and each said undivided interest and allocated restricted common areas and facilities shall be deemed to be conveyed or encumbered with its respective condominium unit even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to the condominium unit.

Proportionate Shares; Voting. The proportionate F. shares of the separate owners of the respective condominium units in the profits and common expenses in the common areas and facilities, as well as their proportionate representation for voting purposes in the Association of Owners, shall be percentages established for each condominium unit as provided in Paragraph "E" hereof. There shall be one vote in the affairs and management of the Association for each unit, weighted in proportion to the percentages established in Paragraph "E", except as the same may be reallocated pursuant to Paragraph "V". In the event that ownership interests in a unit are owned by more than one member of the Association, the members who own fractional interests in such unit aggregating more than fifty (50%) percent of the whole ownership thereof shall appoint one member who shall be entitled to vote the vote of that unit at any meeting of the Association. 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 the members. In the event that a unit 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 unit, then none of such members shall be allowed to vote. All members of the Association may be present at any meeting of the As ociation and may act at such meetings either in person or by proxy.

Notwithstanding any other provisions contained herein, the Grantor shall be entitled to four (4) votes in the affairs and administration of the Association for each unit owned by it until such time as the number of units owned by owners other than the in antor is equal to or exceeds the number of votes to which the identor is entitled under this Paragraph, whereupon the Grantor sholl be entitled to one (1) vote for each unit owned by it. If the Condominium regime hereby established is expanded, as hereinafter provided in Paragraph "V" hereof, the Grantor shall be entitled (or re-entitled) to four (4) votes in the affairs and administration of the Association for each unit owned by it in the entire condominium (as so expanded) until such time as the number of units in the entire condominium (as so expanded) owned by owners other than the Grantor is equal to or exceeds the number of votes to which the Grantor is entitled (or re-entitled)

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under this Paragraph, whereupon the Grantor shall be entitled to one (1) vote for each unit owned by it.

G. Description of Restricted Common Areas and Facilities. The restricted common areas and facilities allocated for the restricted use of the respective condominium units are set forth and described in Exhibit "A" attached hereto and made a part hereof.

H. General Provisions, Easements and Restrictions. Said Grantor, its successors and assigns, by this declaration, and all future owners of the condominium units, by their acceptance of their deeds, covenant and agree as follows:

1. The common areas and facilities shall remain undivided; and no owner shall bring any action for partition, it being agreed that this restriction is necessary in order to preserve the rights of the owners with respect to the operation and management of the condominium. No condominium unit may be partitioned or subdivided without the prior written approval of the holder of any first mortgage lien on such unit.

 The condominium units shall be occupied and used by the respective owners only as a private dwelling for the owner, his family, tenants and social guests and for no other purpose.

The owner of each respective condominium unit shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding his respective condominium unit, nor shall said owner be deemed to own pipes, wires, conduits or other public utility lines running through said condominium unit which are utilized for, or serve more than one (1) condominium unit, except as tenant in common with the other condominium unit owhers as hereinabove provided in Paragraph "E". Said owner, however, shall be deemed to own the walls and partitions which are contained in said owner's respective condominium unit, and also shall be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floors and cailings, including any finishing materials applied or affixed to the interior surfaces of the interior walls, floors or ceilings (such as, but without limitation, paint, wallpaper, vinyl wall or floor coverings and carpets); interior

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walls and floors; and all utility pipes, lines, systems, fixtures or appliances servicing only said owner's respective condominium unit (whether or not within the boundaries of that unit); the interior surfaces of windows and doors, perimeter window frames and door frames; the interior trim around windows and doors as well as door or window glass and hardware; and visible or exposed plumbing fixtures, lines and pipes located within the boundaries of such condominium unit; and the exterior surfaces of balconies (i.e., the area enclosed by (i) those horizontal planes being the top of the concrete surface of the balcony in question and the plane of the ceiling of the unit of which such balcony is a part, and (ii) those vertical planes being the vertical exterior surfaces of the building and those planes adjacent to the vertical interior edges of the balcony, all other portions of the balcony being deemed to be part of the common areas and facilities).

- The owners of the respective condominium units 4. agree that if any portion of the common areas and facilities encroaches upon the condominium units, or if any condominium unit encroaches upon the common areas and facilities, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of an owner or owners if said encroachment occurred due to the willful conduct of said owner or owners. In the event the multi-family structure is partially or totally destroyed, and then rebuilt, the owners of condominium units agree that minor encroachments of parts of the common areas and facilities upon the condominium units or parts of the condominium units upon the common areas and facilities due to construction shall be permitted and that valid easements for said encroachments and the maintenance thereof shall exist.
- 5. Every wall depicted on Exhibit A as being partly in one condominium unit and partly in an adjacent condominium unit is a party wall, and the owner of each condominium unit shall have the right to use and enjoy the party wall jointly with the owner of the adjacent unit; that each such condominium unit shall have the benefit of, and be burdened with, a

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perpetual easement to the extent that such party wall shall deviate from the vertical by reason of any shifting of the building, or any part thereof; and that should such party wall be injured or damaged by any cause other than the deliberate or negligent conduct of either such condominium unit owner, it shall be repaired at the joint expense of such adjacent owners.

Every condominium unit owner shall have a perpetual 6. easement in, upon, through and over the land of the condominium regime, to keep, maintain, use, operate, repair and replace: (a) his condominium unit, in its original position, and in every subsequent position to which it changes by reason of the gradual forces of nature and of the elements, whether such subsequent position be, in whole or in part, adjacent, sub-adjacent, or supra-adjacent to said original position; (b) every chimney, cupola, weathervane, stack or vent, if originally installed by the Grantor; (c) every threshold, screen door, storm window, shutter, hood, awning and all hardware pertaining thereto; (d) every rain gutter, downspout, roof overhang and exterior wall light, if originally installed by the Grantor.

7. Every condominium unit owner shall have a perpetual easement in the land of the condominium regime for the subterranean installations, maintenance and repair of any pipe, cable, wire or other conduit of liquids or energy supplying water, sewerage, telephone, radio, television, electricity, heat, steam or other similar service to the unit owned by him, subject, however, to the provision that the work of installation or repair shall be performed by the Association of Owners or the agent of the Association.

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8. An owner of a condominium unit shall automatically, upon becoming the owner of a condominium unit or units, be a member of the Association of Owners for this condominium regime, hereinafter referred to as the "Association", and shall remain a member of said Association until such time as his ownership ceases for any reason, at which time his membership in said Association shall automatically cease.

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- 9. The owners of condominium units covenant and agree that the administration of the condominium regime shall be in accordance with the provisions of this Declaration and the By-Laws of the Association, hereinafter referred to as the "By-Laws".
- 10. Each owner, tenant or occupant of a condominium unit shall comply with the provisions of this the By-Laws, decisions and resolutions of the Association or its representative, as lawfully amended from time to time, and failure to comply with any such provisions, decisions or resolutions, shall be grounds for an action by the Association and/or any aggrieved unit owner to recover sums due, for damages, or for injunctive relief, or both.
- 11. This Declaration shall not be revoked or any of the provisions herein amended unless all of the owners and the mortgagees of all of the mortgages covering the condominium units unanimously agree to such revocation or amendment by duly recorded instruments.
- 12. No owner of a condominium unit may exempt himself from liability for his contribution towards the common expenses by waiver of the use or enjoyment of any of the common areas and facilities or by the abandonment of his condominium unit.
- 13. No noxious or offensive activities of any sort shall be permitted, nor shall anything be done in any condominium unit or any of the common areas and facilities which shall be or may become an annoyance or nuisance to the other owners.
- 14. Nothing shall be done in or kept in or on any unit, balcony, common areas and facilities or restricted common areas and facilities which will increase the rate of insurance on the buildings and improvements in the condominium or any other condominium unit over that applicable to residential buildings, or would result in the uninsurability of buildings and improvements in this condominium regime, or any part thereof, or the cancellation, suspension, modification or reduction of insurance in or on or covering the condominium units in this condominium regime or any part thereof.
  - 15. 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 cf any common areas and facilities, protruding from any balcony or through any wall, floor, ceiling, window or door which is part of the common areas and facilities, except as approved by the Association. All radios, televisions, electrical equipment or · appliances of any kind or nature and the wiring therefor installed or used in a condominium unit shall fully comply with all rules, regulations or requirements of all state and local public authorities having jurisdiction.

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Each owner shall promptly and fully comply with 16. any and all applicable laws, rules, ordinances, statutes, regulations or requirements of any governmental agency or authority with respect to the occupancy and use of his condominium unit and with the provisions hereof.

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- No animals, livestock or poultry of any kind shall 17. be raised, bred or kept in or on any of the condominium units, except for household pets which are not kept, bred or maintained for any commercial purposes.
- No advertising signs, billboards, unsightly objects 18. or nuisances shall be erected, placed or permitted on or in any condominium unit or in the common areas and facilities, nor shall any unsightly materials be used to cover windows in the condominium units (including aluminum foil or other mirrored or reflective material); nor shall any condominium unit or the common areas or facilities be used in any way or for any purpose which may endanger the health or unreasonably disturb the owner of any condominium unit or any resident thereof. Grantor, however, shall have the sole right to erect signs related to or in connection with the sale of condominium units by Grantor.
- 19. All clothes lines, equipment or storage piles shall be kept within screened areas so as to conceal them from view of neighboring units, parking spaces and streets. All rubbish, trash and garbage shall be kept in containers in areas designated by the Association for collection purposes.

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Except in the individual patio areas appurtenant to a unit, no planting or gardening shall be done, and no fences or hedges shall be erected or maintained, except such as are installed in accordance with the initial construction of the condominium or as approved in writing by the Association. aller and

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Parking spaces (whether covered or open) shall be 21. restricted common areas and facilities for the exclusive use of the owner of the condominium unit to which they are assigned of record by the Grantor herein. Once such parking space or spaces have been assigned by the Grantor, such parking space or spaces being restricted common areas and facilities, the same shall be perpetually appurtenant to the condominium unit to which they are assigned. Any conveyance of any condominium unit shall be deemed also to convey such parking space or spaces even though made without specifically or particularly referring to the same. No parking space in the common areas and facilities or the restricted common areas and facilities shall, without the express written permission of the Association, be used for storage of boats, trailers, campers, unused or inoperable automobiles or any other items which the Association deems unsightly or inappropriate.

There is hereby created a blanket easement on behalf of the Association, or its duly authorized representative, in, upon, across, over and under the land of the condominium regime, the units and other improvements thereon for the purpose of:

(a) Making repairs therein;

(b) Performing necessary maintenance or repairs to or replacements of the common areas and facilities for which the Association is responsible (regardless of any present or future encroachments of the common areas and facilities upon any unit);

(c) Abating any nuisance or any dangerous, unauthorized, prohibited or unlawful activity being conducted or maintained in a unit;

(d) Protecting the property rights and welfare of unit owners; and

(e) Enforcing the provisions of this Enabling De aration, the By-Laws of the Association or the Act.

Except in the event of an emergency, such easement and right of entry shall be exercised only in the presence of the owner or other occupant of the unit which is entered. In all events, such easement and 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 unit by the owner or occupant thereof and shall, whenever possible, be preceded by reasonable notice to the owner or occupant thereof.

Lien for Assessments; Working Capital Fund, Rates of I. Assessment. All sums assessed by the Association but unpaid for the share of the common expenses chargeable to any condominium unit shall constitute a lien on such condominium unit prior to all other liens except only (1) tax liens on the condominium unit in favor of any assessing unit and special district, and (2) all sums unpaid on the first mortgage of record. Such lien may be foreclosed by suit by the Manager or Board of Directors of the Association, acting on behalf of the owners of the condominium units, in like manner as a mortgage of real property. In any such foreclosure, the condominium unit owner shall be required to pay a reasonable rental for the condominium unit, if so provided in the By-Laws, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Manager or Board of Directors, acting on behalf of the owners of the condominium units, shall have the power to bid in the unit at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same.

At the closing of the initial purchase of a condominium unit from the Grantor, the owner shall be required to pay an amount equal to two times the then current monthly amount of assessment for common expenses chargeable to such condominium unit as and for a working capital fund. Said working capital fund shall be used to pay the costs and expenses of the initial months of operation of the condominium regime.

All assessments on all units, whether owned by the Grantor or an owner of an individual condominium unit, must be fixed at uniform rates as follows:

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(a) Functioning Urits, those units which have been conveyed to an own of an individual condominit unit being provided maintenance, waste disposal, garbage and other services as herein provided, shall be assessed the full assessment as set by the Association;

(b) <u>Completed Units</u>, those units which are completely constructed and ready for occupancy but which have not been conveyed to an owner of an individual condominium unit shall be assessed twenty percent (20%) of the full assessment as set by the Association as herein provided.

(c) Uncompleted Units, those units which are under construction shall not be assessed for common expenses.

Notwithstanding the foregoing provisions, the Grantor shall make up the difference, if any, between the actual cost of maintenance of the common areas and facilities and the total common expense charges due as herein provided until such time as eighty percent (80%) of the units are sold to individual condominium unit owners. However, the Grantor's obligations under this provision shall be extinguished with respect to Grantor and become a liability of Grantor's successors and assigns in proportion to their ownership interest in the condominium.

J. Unpaid Assessments After Foreclosure. Where the mortgagee of a first mortgage of record or other purchaser of a condominium unit obtains title to the unit as a result of foreclosure of the first mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of the common expenses or assessments by the Association chargeable to such condominium unit which became due prior to the acquisition of title to such condominium unit by such acquirer, except for claims for a pro-rata share of such expenses or assessments resulting from a pro-rata reallocation of such expenses or assessments to all units in the condominium regime hereby established, including the mortgaged unit.

K. Lease of Condominium Units. The respective condominium units shall not be rented by the owners thereof for transient or hotel purposes, which shall be defined as (a) rental for any period less than thirty (30) days; or (b) any rental if the occupants of the condominium unit are provided customary hotel services, such as room service for food and beverage, maid service, furnishing laundry and linen, and bellboy service. Other than the foregoing obligations, the owners of the respective condominium units shall have the absolute right to lease same, provided that said lease shall be in writing, shall be made subject to the covenants and restrictions contained in this Declaration and the

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By-Laws, and shall further provide that any failure by the Lessee to comply with the terms of such documents shall be a default under the Lease. No such lease shall be for less than the entipe condominium unit.

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L. Fire or Casualty; Rebuilding. In the event the property subject to this Enabling Declaration is damaged or destroyed, in whole or in part, by fire or other casualty, the repair, reconstruction or disposition of the property shall be governed by the following provisions:

> -1. Within thirty (30) days after any such damage or destruction, the Board of Directors shall determine whether such loss comprises the whole or more than two-thirds (2/3rds) of the buildings which are subject to this condominium regime. Unless otherwise provided by law, such determination shall be made by determining whether the cost of necessary repair or reconstruction would exceed two-thirds (2/3rds) of the cost of reconstructing the buildings as they existed prior to such fire or other casualty. In the event of fire or other casualty damage which does not comprise more than two-thirds (2/3rds) of the buildings, unless otherwise unanimously agreed to by the owners, the buildings shall be repaired and reconstructed substantially in accordance with the original plans and specifications for the buildings, in accordance with the provisions hereof.

In the event that fire or other casualty damage 2. comprises the whole or more than two-thirds (2/3rds) of the buildings, unless otherwise unanimously agreed by the owners. all proceeds of insurance policies carried by the Association and all accrued and collected common expenses or assessments by the Association (after deducting any unpaid common expenses or assessments for which such owner may be liable) shall be delivered to the owners or their mortgagees, as their respective interests may appear, in proportion to their respective undivided interests, as hereinabove provided in Paragraph "E", and the condominium regime established by this Enabling Declaration shall terminate. Upon such termination, the condominium units, the common areas and facilities, and the restricted common areas and facilities 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 percentage of undivided interest

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previously owned by each owner in the common areas and facilities, as hereinabove provided in Paragraph "E". In such case, unless otherwise unanimously agreed by all owners, the Board of Directors, as soon as reasonably possible and as agent for all owners, shall sell the property subject to this Enabling Declaration, in its then condition, free from the effect of this Enabling 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 respective interests may appear, in proportion to the percentage of undivided interest previously owned by each owner in the common areas and facilities, as hereinabove provided in Paragraph "E". If the Board of Directors fails to consummate a sale pursuant to the preceding sentence within twenty-four (24) months after the damage or destruction occurs, then the Board of Directors shall (or if the Board does not, any owner or mortgagee may) record a sworn statement setting forth such facts and reciting that under the provisions of this Enabling Declaration the prohibition against judicial partition hereinabove provided for in Paragraph H, Subparagraph 1, has terminated and that judicial partition of the property subject to this Enabling Declaration may be obtained pursuant to the laws of the State of Texas.

- 3. In the event of substantial damage to or destruction of any condominium unit, or any part of the common areas and facilities or the restricted common areas and facilities, any mortgagee of a condominium unit shall be given prompt written notice of any such damage or destruction.
- 4. In the event it is determined that the buildings shall be repaired and reconstructed, then all proceeds of insurance policies with respect to such fire or other casualty, carried by the Association, shall be paid to a bank (selected by the Board of Directors), as Trustee, insured by the Federal Deposit Insurance Corporation (or its successors) and located in Harris County, Texas, to be held in trust for the benefit of the condominium unit owners and their mortgagees, as their respective interests may appear. The Board of Directors shall thereupon contract on behalf of all condominium unit owners to repair or rebuild

the c maged portions of all condom .um units, the buildings, common areas and facilities and restricted common areas and facilities in accordance with the original plans and specifications therefor and the funds held in trust by such depository bank shall be used for this purpose and disbursed by the Board of Directors in accordance with the terms of the contract of repair and retuilding.

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In the event that such insurance proceeds are 5. insufficient to provide for such reprir, restoration or rebuilding, the building costs in excess of the insurance proceeds shall be assessed against all of the condominium unit owners, in proportion to the percentage of undivided interests of each owner in the common areas and facilities, as hereinabove provided in Paragraph "E". Such assessment shall be enforceable in the same manner as herein provided for other assessments hereunder The provisions of this subparagraph 5 may be changed only by unanimous resolutions of the owners and all mortgagees adopted subsequent to the date on which such fire or other casualty loss occurs.

Each condominium unit owner shall be responsible for the reconstruction, repair and replacement of all personal property and other property not part of the common areas and facilities, including, but not limited to, floor coverings, wall coverings, interior walls, furniture, furnishings, decorative light fixtures and appliances located therein.

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7. Each condominium unit owner shall be responsible for the costs not otherwise covered by insurance carried by the Association caused by his negligence or misuse or by the negligence or misuse of his immediate family and his agents or employees in the course of their duties, and shall, to the extent not covered by insurance collected by the Association, indemnify the Association and all other owners against any such costs of reconstruction, repair and replacement of any portion of the buildings.

M. Unpaid Assessments After Voluntary Conveyance. In a voluntary conveyance of a condominium unit, the grantee of the unit shall be jointly and severally liable with the grantor thereof for all unpaid assessments by the Association against the

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latter for his share of the common expenses up to the time of the grant or conveyance, w. out prejudice to the grantee right to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be entitled to a statement from the Manager or the Board of Directors, as the case may be, setting forth the amount of the unpaid assessments against the grantor due the Association and such grantee shall not be liable for, nor shall the condominium unit conveyed be subject to a lien for, any unpaid assessments made by the Association against the grantor in excess of the amount therein set forth.

N. Association of Owners. The term "Association of Owners", as used herein, shall refer to Association of Owners of Sherbrooke Square Townhomes, a Texas non-profit corporation, and shall have the same meaning as the term "Council of Co-Owners" as used in the Act. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established in the Act, this Declaration, or in the By-Laws, shall be deemed to be binding on all owners of condominium units, their successors and assigns.

Until the election of the first Board of Directors of the Association, the Grantor herein shall exercise all of the powers, rights, duties and functions of the Board of Directors for the benefit of all owners of condominium units. The Grantor may engage itself or any other entity, whether or not affiliated with Grantor, as the manager of the condominium (herein referred to as "Manager") under a contract having a \*erm no longer than one year and terminable by either party upon thirty (30) days prior written notice. After the election of the first Board of Directors, and upon the expiration of any such management contract entered into by the Grantor on behalf of the Association, the Board of Directors may delegate any of its duties, powers or functions to a Manager selected by the Board of Directors. Any Manager selected by the Board of Directors must be a professional manager with experience managing multiple unit projects in the Houston, Texas area. The members of the Board of Directors shall not be liable for any omission or improper exercise by the Manager of any such duty, power or function so delegated. Such delegation shall be by written instrument executed by a majority of the members of the Board of Directors, which shall be for a term of not more than one (1) year and shall be terminable by either party upon thirty (30) days' written notice.

The Board of Directors of the Association 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 areas and facilities and any other expenses incurred by or on behalf of the Condominium or the Association. Both the books of accounts and all vouchers supporting the entries made therein

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shall be available for examination at the office of the Association by all owners and all mortgagees at convenient hours on working days (and during normal business hours as to all mortgagees) 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 by owners and mortgagees of first; mortgages of record against any unit. All such books and records shall be kept in accordance with generally accepted accounting procedures, consistently applied. Upon request by any such mortgagee, the Board shall furnish to such mortgagee within ninety (90) days following the end of the fiscal year of the Association, copies of the annual financial statements of the Association hereof and such other financial data which may be reasonably requested by such mortgagee. The fiscal year of the Association shall be the calendar year unless another period is established by an amendment of the By-Laws.

Upon request by any such mortgagee, the Board shall furnish to such mortgagee prior written notice of all meetings of the Association, and any such mortgagee shall be permitted to designate a representative to attend all such meetings.

Insurance. The Board of Directors or the Manager shall 0. obtain and continue in effect blanket property insurance in form and amounts satisfactory to mortgagees holding first mortgages covering condominium units but without prejudice to the rights of the owner of a condominium to obtain individual condominium unit insurance. Such blanket property insurance shall cover loss by damage and fire and such other hazards as are covered under standard extended coverage provisions and may include such other and additional coverage as the Board of Directors deems necessary or desirable. The Board of Directors or the Manager shall be authorized to obtain and continue in effect such other types of insurance (including, without limitation, comprehensive public liability and property damage insurance, workmen's compensation insurance, employer's liability insurance and fidelity bonds indemnifying the Association, the Board of Directors and the owners from loss of funds resulting from fraudulent or dishonest acts of any employee of the Association or of any other person handling the funds of the Association) and in such amounts as the Board of Directors may deem necessary or desirable.

P. Payment of Insurance Premiums. Insurance premiums for any blanket insurance coverage and the other insurance coverages, shall be a common expense to be paid by monthly assessments levied by the Association; and such payments shall be held in a separate escrow account of the Association and used solely for the payment of the blanket property insurance premiums and other insurance premiums as such premiums become due.

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Q. No Adverse Ac ion by Grantor. Grantor cove ints to take no action which would adversely affect the rights of the Association with respect to assurances against latent defects in the property or other rights assigned to the Association, the members of such Association and their successors in interest, as their respective interests may appear, by reason of the establishment of the condominium regime.

R. <u>Severability</u>. The provisions hereof shall be deemed independent and severable, and the invalidity or partail invalidity or unenforceability of any one provision or portion thereof as may be determined by a court of competent urisdiction shall not affect the validity or enforceability of any provisions hereof.

S. Declaration; Condominium Regime. The term "Declaration", as used herein, shall mean and include the term "Master Deed", as used in the "Act".

т. Eminent Domain. If all or any part of the property subject to this Enabling Declaration is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), or is otherwise sought to be acquired by a condemning authority, 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 or proposed acquisition to all owners and to all mortgagees known to the Board to have an interest in any unit. The expense of participation in any such proceedings by the Board of Directors shall be a common expense to be paid by assessments levied by the Association. 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 applied or paid as provided herein. The following provision shall be applicable with respect to any such taking, as aforesaid:

1. In the event that an action in eminent domain is brought to condemn a portion of the common areas and facilities (together with or apart from any condominium unit), 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 proceedings, 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

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king only of common areas ar facilities, any all damages and awards shall be determined for such taking as a whole and not for each owner's interest therein. After the damages or awards for such taking are determined, such damages or awards shall be paid to each owner in proportion to his percentage of undivided interest in the common areas and facilities, as hereinabove provided in Paragraph "E". The Board of Directors may, if it deems advisable, call a meeting of the owners, at which meeting the owners, by a majority vote, shall decide whether to replace or restore as far as possible the common areas and facilities so taken or damaged. In the event it is determined that such common areas and facilities should be replaced or restored by obtaining other land or building additional structures, this Enabling Declaration and the plat attached hereto as Exhibit "A" shall be duly amended by instrument executed by the Board of Directors on behalf of the owners.

- 2. In the event that such eminent domain proceeding results in the taking of or damage to one or more, but less than two-thirds (2/3) of the total number of condominium units, then the damages and awards for such taking shall be determined for each unit and the following shall apply:
  - (a) The Board of Directors shall determine which of the condominium units damaged by such taking may be made tenantable for the purposes set forth in this Declaration, taking into account the nature of this condominium regime and the reduced size of the condominium unit so damaged.
  - (b) The Board of Directors shall determine whether it is reasonably practicable to operate the remaining condominium units of the condominium regime, including those damaged units which may be made tenantable as a condominium in the manner provided in this Declaration.
  - (c) In the event that the Board of Directors determines that it is not reasonably practicable to operate the damaged condominium units and the damaged condominium units which can be made tenantable as a condominium, then the

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condominium regime 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 percentage of undivided interest in the common areas and facilities hereinabove set forth in Paragraph "E". In such case, unless otherwise unanimously agreed upon by all owners, the Board of Directors, as soon as reasonably possible and as agent for all owners, shall sell the condominium, in its then condition, free from the effect of this 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 respective interests may appear, in proportion to the percentage of undivided interest in the common areas and facilities previously owned by each owner, as hereinabove set forth in Paragraph "E". 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 shall (or if the Board does not, any owner or mortgagee may) record a sworn statement setting forth such facts and reciting that under the provisions of this Declaration, the prohibition against judicial partition hereinabove provided for in Paragraph H, Subparagraph 1, has Lerminated and that judicial partition of the property may be obtained pursuant to the laws of the State of Texas.

(d) In the event that the Board of Directors determines that it will be reasonably practicable to operate the undamaged condominium units and the damaged condominium units which can be made tenantable as a condominium, then the damages and awards with respect to each unit which has been determined to be capable of being made tenantable shall be applied to repair and reconstruct such condominium unit so that it is made tenantable. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed against the owners of those condominium units which are being repaired or reconstructed so as to be tenantable. With respect to those

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condominium units which may not be tenantable, the award made with respect to each such condominium unit shall be paid to the owner of such condominium unit or his mortgagee or mortgagees, as their respective interests may appear, and the remaining portion of such condominium units, if any, shall become a part of the common areas and facilities and repair and use of such condominium units shall be determined by the Board of Directors. Upon the payment of such award for the account of such owner, as herein provided, such condominium unit shall no longer be a part of the condominium and the percentage of undivided interest in the common areas and facilities appurtenant to each remaining condominium unit which shall continue as part of the condominium shall be equitably adjusted so as to distribute the ownership of the undivided interest in the common areas and facilities among the reduced number of owners.

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3. In the event the entire property subject to this Enabling Declaration is taken, or two-thirds (2/3) or more of the condominium units are taken or damaged by such taking, all damages and awards shall be paid to the accounts of the condominium unit owners, or their respective mortgagees, as their respective interests may appear, as herein provided, in proportion to their percentage of undivided interest in the common areas and facilities, as hereinabove provided in Paragraph "E", and this condominium regime shall terminate upon such payment. Upon such termination, the units and the common areas and facilities shall be deemed to be regrouped and merged into a single estate owned in undivided interest by all owners as tenants in common in the percentage of undivided interest in the common areas and facilities previously owned by each owner. In such case, unless otherwise unanimously agreed upon by all owners, the Board of Directors, as soon as reasonably possible and as agent for all owners, shall sell the condominium, in its then condition, free from the effect of this Declaration, on terms satisfactory to the Board of Directors and the nets proceeds of such sale shall thereupon be distributed to the owners or their mortgagees, as their respective interests may appear, in proportion to the percentage

> SHERBROOKE TOWNHOMES A CONDOMIN CONDOMINIUI HARRIS COUL VOL. 112

of undivided interest in the common areas and facilities previously owned by each owner, as hereinabove provided in Paragraph "E". If the Board of Directors fails to consummate a sale pursuant to the preceding sentence within twentyfour (24) months after the taking occurs, then the Board of Directors shall (or if the Board does not, any owner or mortgagee may) record a sworn statement setting forth such facts and reciting that under the provisions of this Declaration the prohibition against judicial partition provided for in Paragraph H, Subparagraph 1, has terminated and that judicial partition of the property may be obtained pursuant to the laws of the State of Texas.

4. Any damages or awards provided in this Paragraph T to be paid to or for the account of any owner by the Board of Directors, acting as Trustee, shall be applied first to the payment of any taxes or assessments by governmental authorities owing with respect to that condominium unit; secondly to amounts due under any first lien mortgage; thirdly, to the payment of any common expenses or assessments charged to or made against the condominium unit and unpaid; fourthly, to amounts due under any mortgage other than a first lien mortgage; and finally to the owner of such condominium unit.

U. Notice to and Consent of Mortgagees. The Board of Directors shall give to the holder or holders of any first lien mortgage on any unit, written notice of any default in the performance by the owner of such unit of such owner's obligations under this Declaration or the By-Laws which is not cured within thirty (30) days following the occurrence of such default. Notwithstanding any other provisions contained herein, the prior written approval of each institutional holder of a first mortgage lien on condominium units subject to this Enabling Declaration will be required for the following:

- The abandonment or termination of the condominium, except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain.
- Any material amendment to this Declaration or to the By-Laws of the Association, including, but not limited to, any amendment which would change the

percentage of undivided interest of the unit over s in the common areas and for ilities, except in the event of expansion of the ondominium pursuant to Paragraph "V" below.

The effectuation of any decision by the Association to terminate professional management and assume self-management of the condominium.

V. Expansion of Condominium. All or any part of the real property described in Exhibit "C" attached h reto and made a part hereof, together with such buildings, units, common areas and facilities, restricted common areas and facilities and other improvements as may be constructed thereon, may be annexed to the condominium regime hereby established by the Grantor, or its successors and assigns, at any time and from time to time, without the consent of the Association, the Board of Directors, any condominium unit owner, the holder of a mortgage lien on any condominium unit, or any third-party whatsoever, within fire years after the recording of this Enabling Declaration in the Condominium Records of Harris County, Texas, subject to the following provisions:

- All improvements on said real property which may be annexed to the condominium will be of comparable style, floor plan, size and quality in order to preserve the appearance and value of the condominium.
- 2. In the event Grantor so elects to annex to the condominium the real property described in Exhibit "C" attached hereto, or any part.thereof, Grantor shall, prior to each such annexation, record a certificate (the "Certificate of Annexation") in the Condominium Records of Harris County, Texas, which will, inter alia:

(a) be executed by the Grantor or its successors or assigns;

(b) contain a legal description of the land to be annexed to the Condominium;

(c) contain a sufficient description of the units built or to be built on the annexed land;

(d) contain a reallocation of the percentage of undivided interest in the common areas and facilities (as expanded by annexation) among all of the

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units in the ndominium regime hereby esta ished (as expanded  $\omega_f$  annexation), such reallocation to be based upon the approximate area (in square feet) of each cond minium unit expressed as a percentage of the approximate area (in square feet) of all condominium units in the condominium regime (as so expanded); and

(e) contain any other information required by law or necessary to effectuate the intent of this Paragraph V.

2. Thereafter the condominium shall be governed by this Enabling Declaration as if all of the annexed land and improvements had been a par' of the condominium from the outset, and the percentage of undivided interest in the common areas and facilities (as so expanded) which shall be attributable to and conveyed with respect to each unit of the Condominium regime hereby established shall automatically be and become the percentage set forth in the Certificate of Annexation.

3. Grancor further reserves the right, at any time, and from time to time, without requesting or receiving the assent or consent of any condominium unit owner or the holder of any mortgage lien on any concominium unic, to grant casements in favor of the land to be annexed to the Condominium and otherwise to take such action as may be deemed necessary by Grantor to effectuate the expansion of the Condominium. Each condominium unit owner hereby appoints Crantor as its attornev-in-fact for the purpose of effecting the provisions of this Paragraph "V" and the power hereby granted to Grantor shall be and is a power coupled with an interest which is irrevocable and shall not terminate on the death or disability of a condominium unit owner.

4. Upon the recordation of a Certificate of Annexation in compliance with the provisions of this Paragraph V adding additional property and improvements to the Condominium, this Enabling Declaration shall further apply to and affect all of the property described in this Enabling Declaration and the property described in such Certificate, and shall also bind all owners of any part of such additional property and improvements with the same effect as

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if such additional property and improvements were originally subject to and described in this Enabling Declaration. Thereafter, the powers and responsibilities of the Board of Directors shall be coextensive with regard to all property included within the expanded Condominium, and the Board of Directors shall, pursuant to the provisions of this Enabling Declaration, constitute the Board of Directors for the entire Condominium, as expanded, and the rights, obligations and duties of each Condominium owner shall be the same and identical to the rights, obligations and duties of the condominium owners prior to recordation of such Certificate of Annexation, except as each such owner's percentage of undivided interest in the common areas and facilities may be modified in accordance with this Enabling Declaration upon any such annexation, it being specifically recognized and agreed that each owner's percentage of undivided interest in the common areas and facilities, as a percentage, shall be reduced by such annexation from the respective percentage set forth in Exhibit "B" attached hereto to the respective percentage set forth in the Certificate of Annexation. The Board of Directors shall thereupon continue to maintain one fund for the collection and disbursement of monies as required and permitted hereby for the maintenance, repair, replacement and operation of the expanded Condominium, and in all respects and meanings, the Condominium (as expanded) shall be deemed to be a single Condominium project for the purposes, and in accordance with the provisions of, this Enabling Declaration and the Act.

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5. This Enabling Declaration, including, but not limited to this Paragraph "V", does not presently create any interest in or with respect to the property described in Exhibit "C" attached hereto, and this Enabling Declaration shall not affect in any manner all or any part of such property unless and until a Certificate of Annexation is filed with respect thereto in accordance with the provisions of this Paragraph "V".

W. Owners' Representative. The property subject to this Enabling Declaration heretofore has been designated as part of the "Project", as that term is defined in the Protective Covenants for Plaza Del Oro, filed for record in Volume 8201,

> SHERBROOKE SQUARE TOWNHOMES A CONDOMINIUM PROJE CONDOMINIUM RECORDS HARRIS COUNTY, TEXA

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Page 381 of the Deed Records of Harris County, Texas (the "Protective Covenants"), and said property heretofore has been subjected to the annual maintenance fund charge provided for in Article V of such Protective Covenants, reference being made to the Protective Covenants and all amendments thereto and the record thereof for all purposes. All condominium unit owners, including Grantor, and the Association of Owners are subject to all of the terms, provisions, conditions and restrictions of the aforesaid Protective Covenants, as amended.

The Protective Covenants provide that the annual maintenance fund charge shall apply to the property subject to this Enabling Declaration and shall be secured by a lien against such property to secure payment thereof.

The Protective Covenants impose on all condominium unit owners, including Grantor and the Association of Owners, among other things, the duty of and responsibility for keeping the owner's land, buildings, improvements, appurtenances and landscaping in a well-maintained, safe, clean and attractive condition at all times. If such duty and responsibility are not fulfilled, the "Developer", as that term is defined in the Protective Covenants, has the right and power to perform such care and maintenance, and to obtain reimbursement for the cost thereof; and if such reimbursement is not made, the cost shall be a debt of all condominium unit owners and the Association of Owners and shall be secured by a lien against all of the property subject to this Enabling Declaration, including the individual condominium units thereon.

Accordingly, the Grantor, for each condominium unit within the condominium regime hereby established, hereby appoints, and each condominium unit owner by acceptance of a Deed therefor, whether or not it shall be expressed in any such Deed, shall be deemed to appoint, the Association of Owners as the sole representative of all condominium unit owners for the purposes of receiving notices, paying all annual maintenance fund charges and other bills made and submitted pursuant to the Protective Covenants, casting of the entire vote to which the property subject to this Enabling Declaration is or may be entitled, and any and all other matters in any manner related to the provisions of the Protective Covenants as the same are applicable to the condominium regime hereby established.

this	_15	IN	day	of	WHEREOF,	Grantor	has 1980	execut	ted	this	instrume	ent
						SHERBROO	OKE S	SQUARE	COR	PORAT	TION	

ATTEST:

ecretary

President

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By:

SHERBROOKE	SQUARE
Phase	1

LOCATION (Unit No.)	UNIT TYPE	BLDG. IDENTIFICATION	SQUARE FOOTAGE	PERCENTACE OWNERSHIP 2
101	A	(A)	769	2.423115
102	A	(A)	769	2.423115
103	c	(A)	932	2.936728
104	A	(A)	769	2.423115
104	A	(A)	769	2.423115
106	C	(A)	932	2.936728
201	Е	(B)	1,074	3.384170
202	Ε	(B)	1,074	3.384170
203	E	(B)	1,074	3.384170
204	E	(B)	1,074	3.384170
301	в	(C)	886	2.791782
302	В	(C)	886	2.791782
303	С	(C)	932	2.936728
304	В	(C)	886	2.791782
305	В	(C)	886	2.792782
306	С	(C)	932	2.936728
401	E	(D)	1,074	3.384170
402	E	(D)	1,074	3.384170
403	E	(D)	1,074	3.384170
404	E	(D)	1,074	3.384170
501	D	(E)	1,078	3.396774
502	D	(E)	1,078	3.396774
503	D	(E)	1,078	3.396774
504	D	(E)	1,078	3.396774
601	A	(F)	769	2.423115
602	A	(F)	769	2.423115
603	A	(F)	769	2.423115
604	A	(F)	769	2.423115
701	В	(G)	886	2.791782
702	С	(G)	932	2.936728
703	В	(G)	886	2.791782
704	В	(G)	886	2.791782
705	c	(G)	932	2.936728
706	В	(G)	886	2.791782
		TOTALS:	31,736	100.000000

EXHIBIT "B"

SHERBROOM

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THE STATE C 'EXAS 5 COUNTY OF HARRIS 5

BEFORE ME, the undersigned authority, on this day personally appeared <u>Adrian Gilbert</u>, <u>Vice</u> President of SHERBROOKE SQUARE CORPORATION, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of said corporation, for the purposes and consideration therein expressed, and in the capacity therein stated, and that he was authorized to do so.



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day of the under my hand and seal of office, this the 15<sup>TL</sup> day of the under my hand and seal of office, this the 15<sup>TL</sup> . 1980. My Contraction of Harris County, T E X A S UNDA ERWING

October 10, 1981

Notary Public in Harris County, Texas My Commission Expires October 10, 1931 Bonded by L Alexander Lovett, Lawyers Surety Corp.

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#### JOINDER OF MORTGAGEE

The undersigned, WESTERN BANK, a state banking association (hereinafter called "Lender"), being the owner and holder of liens against the real property described in the annexed and foregoing Declaration, does hereby consent to and join in the Declaration.

This consent and joinder shall not be construed or operate is a release of said mortgage or liens owned and held by Lender, or any part thereof, but Lender agrees that its said mortgage and liens shall hereafter be upon and against said real property and all appurtenances thereto subject to the Declaration.

EXECUTED this 15 th day of September, 1980.

ATTEST:

WESTERN BANK

Sharen J. Tucker

TASST Cashier By: R.V. Buildenter TASST Cashier Commercial Loan Officer R.V. Breidenbach

THE STATE OF TEXAS § COUNTY OF HARRIS 5

BEFORE ME, the undersigned authority, on this day personally appeared <u>R.V. Breiden bach</u>, <u>Comm. Loan Officer</u> of WESTERN BANK, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

day of <u>September</u>, 1980.

Barbora P. Reynolds Barbora P. Reynolds NOTARY PUBLIC' IN AND, EOR HARRIS COUNTY, TEXAS OF ILLS

My Commission Expires:

4-14-84

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#### EXHIBIT "C"

FIELD NOTES FOR 160,561.56 SQUARE FEET OR 3.686 ACRES OF LAND OUT OF TRACT 8 AS CONVEYED FROM HERMANN HOSPITAL ESTATE TO SHELL OIL COMPANY, AS RECORDED IN VOLUME 8016, PAGES 8-22, INCLUSIVELY, OF THE HARRIS COUNTY DEED RECORDS, ALL IN THE P. W. ROSE SURVEY, A-645, HARRIS COUNTY, TEXAS:

<u>COMMENCING</u>: At a point in the North line of Holly Hall, a 120-foot rightof-way; said point being a found 5/8 inch iron rod at the intersection of the North line of Holly Hall and the East line of Cambridge, a 120-foot right-ofway; said point also being the most Southerly Northeast corner of the intersection of Cambridge and Holly Hall;

THENCE: N 47° 40' 25" W, along the East line of Cambridge, 14.17 feet to a found 5/8 inch iron road for corner; said point being the most Northerly Northeast corner of the intersection of Cambridge and Holly Hall;

THENCE: N 02° 47' 56" W, along the East line of Cambridge, 266.00 feet to a found 5/8 inch iron rod for corner; said point being the beginning point and the most Westerly Southwest corner of the herein described tract of land;

THENCE: N 02° 47' 56" W, along the East line of Cambridge, 71.91 feet to a found 5/8 inch iron rod for corner, the point of curvature of a curve to the right;

THENCE: In a Northerly direction, along the East line of Cambridge, around a curve to the right whose radius equals 740.00 feet, subtending a central angle of 29° 23' 32", and a distance of 379.61 feet to a found 5/8 inch iron rod for corner, the point of tangency;

THENCE: N 26° 35' 36" E, continuing along the East line of Cambridge, 77.84 feet to a found 5/8 inch iron rod for corner; said point being the Northwest corner of the herein described tract of land;

THENCE: S 63° 24' 24" E, 235.16 feet to a found 5/8 inch iron rod for corner;

THENCE: N 87° 27' 12" E, 45.00 feet to a found 5/8 inch iron rod for corner; said point being the Northeast corner of the herein described tract of land;

THENCE: S 14° 51' 41" W, 192.31 feet to a found 5/8 inch iron rod for corner;

THENCE: S 02° 47' 56" E, 481.48 feet to a found 5/8 inch iron rod for corner in the North line of Holly Hall; said point being the Southeast corner of the herein described tract of land;

THENCE: S 87° 27' 12" W, along the North line of Holly Hall, 29.00 feet to a found 5/8 inch iron rod for corner; said point being the most Southerly Southwest corner of the herein described tract of land;

THENCE: N 02° 47' 56" W, 214.30 feet to a found 5/8 inch iron rod for corner;

THENCE: S 87° 12' 04" W, 206.00 feet to a found 5/8 inch iron rod for corner;

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THENCE: N 02° 47' 56" W, 63.00 feet to a found 5/8 inch iron rod for corner;

THENCE: S 87° 12' 04" W, 90.00 feet to the place of beginning and containing 160,561.56 square feet or 3.686 acres of land, more or less.

EXHIBIT "C"

SMB

RETURN ' HIRSCH, WESTHEIMER, SANDARTK 20th Fir., Niels Esperson Bunding Houston, Texas 77002 . air 11

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



Rolando B. Pablos Secretary of State

# Office of the Secretary of State

## CERTIFICATE OF FILING OF

### Association of Owners of Sherbrooke Square Townhomes, Inc. File Number: 802875426

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 12/05/2017

Effective: 12/05/2017



Rolando B. Pablos Secretary of State

Phone: (512) 463-5555 Prepared by: Angie Gardner Come visit us on the internet at http://www.sos.state.tx.us/ Fax: (512) 463-5709 TID: 10306

Dial: 7-1-1 for Relay Services Document: 778838230002

FILED In the Office of the Secretary of State of Texas

DEC 0 5 2017

#### CERTIFICATE OF FORMATION - NON-PROFIT CORPORATION

**Corporations Section** 

#### FOR

#### ASSOCIATION OF OWNERS OF SHERBROOKE SQUARE TOWNHOMES, INC.

The undersigned, a natural person over the age of eighteen years, acting as organizer of Association of Owners of Sherbrooke Square Townhomes, Inc. (the "Association") under the Texas Business Organizations Code (the "BOC"), does hereby adopt the following Certificate of Formation (this "Certificate") for the Association:

#### ARTICLE I

#### Name

The name of the Association is "Association of Owners of Sherbrooke Square Townhomes, Inc."

#### ARTICLE II

#### Nonprofit Corporation

The Association is a nonprofit corporation.

#### ARTICLE III

#### Duration

The duration of the Association shall be perpetual.

#### ARTICLE IV

#### Purposes and Powers

This corporation does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which is it formed are to provide for the acquisition, construction, management, maintenance and care of the Association's property at Sherbrooke Square Townhomes, a condominium project in Houston, Harris County, Texas, as provided for in the Enabling Declaration for Sherbrooke Square Townhomes condominium (the "Declaration"), and to promote health, safety and welfare of the members within the above described project and for this purpose to:

- Exercise all of the powers and privileges and to perform all of theduties and obligations of the Association of Owners ("Association") as set forth under applicable law, and the Declaration applicable to the property recorded in the Condominium Records of Harris County, Texas, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as is set forth at length;
- 2. Fix, levy, collect and enforce payment by any lawful means, all charges or

Sherbrooke Square.Cert.Formation.120417

assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

- Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;
- 4. Borrow money, and with the assent of the members, mortgage, pledge, dee in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.
- Have and exercise any and all powers, rights and privileges which a corporation organized under Texas law may now or hereafter have or exercise.

#### ARTICLE V

#### Members

Every person or entity who is a record Owner of a fee or undivided fee interest in any Townhome unit described in the Declaration shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any unit which is part of the Townhomes. The word "member" shall be synonymous with the term "owner" as used in the Declaration.

#### ARTICLE VI

#### Voting Rights

Each member shall be entitled to a vote for each unit owned by such member weighted in accordance with the unit's interest in the common areas and facilities as set forth in the Declaration. Cumulative voting is prohibited. In the event that a unit is owned by more than one member, the members who own fractional interests in such unit 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 unit. 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 the members owning an interest in such unit. In the event that a unit is owned by more than one member and no single member is designated to vote on behalf of the members owning such unit, then none of the members shall be allowed to vote. All members of the Association may be present at any meeting of the Association and may act at such meetings either in person or by proxy.

Sherbrooke Square.Cert.Formation 120417

#### ARTICLE VII

#### **Board of Directors**

The affairs of this corporation shall be managed by a Board of not less than three (3) persons, who shall be known as "Directors", and who shall be members of the Association. Subject to such limitation, the number of Directors shall be fixed by the Declaration and the Bylaws of this corporation and amendments thereto from time to time, except that the number of Directors shall not be less than three (3). No decrease in the number of Directors at any time shall affect or shorten the term of any incumbent Director.

The number of Directors constituting the initial Board of Directors of the corporation is five (5), and the names and addresses of the persons who are to serve as the initial Directors are:

NAME

#### ADDRESS

Borbola Bohus

Karen Tang

Cahtryn Young

2203 Longmire Rd. Conroe, TX 77304

910 Green Belt Dr.

2206 McDuffie St.

Houston, TX 77019

2203 Longmire Rd.

Conroe, TX 77304

Sugar Land, TX 77498

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Roy Young

Zhi Fang Zhao

8419 Academy Houston, TX 77025

#### ARTICLE VIII

#### Bylaws

The Bylaws of the corporation are described and set forth in the Declaration, and may be amended as provided therein.

#### ARTICLE IX

#### Dissolution

The corporation may be dissolved with the assent given in writing and signed by all of the members.

Sherbrooke Square Cerl Formation. 120417

#### ARTICLE X

#### **Registered Office and Registered Agent**

The address of the corporation's registered office is 9225 Katy Freeway Suite 250 Houston, TX 77024, and the name of the corporation's registered agent at such address is Richard C. Lievens.

#### ARTICLE XI

#### Amendment

Amendment to this Certificate shall require the assent of votes representing seventy-five percent (75%) of the total units.

#### ARTICLE XII

#### Organizer

The name and street address of the Organizer are as follows:

Richard C. Lievens 9225 Katy Freeway, Suite 250 Houston, Texas 77024

I execute this Certificate of Formation on this  $5_{20}$ Hocenh day of

Richard C. Lievens

STATE OF TEXAS § S COUNTY OF HARRIS §

BEFORE ME, the undersigned Notary Public, do hereby certify that on this the  $5^{-1}$  day of 2017, personally appeared before me Richard C. Lievens, who being by me first duly sworn, declared that he is the person who signed the foregoing documents as incorporator, and that the statements therein are true.

	Given under my hand and seal of	of office, this 5th day of December,			
20	CAROLYN GORDON	Canoposton			
	My Commission Expires September 16, 2021	Notary Public ih and for the State of Texas			

Sherbrooke Square. Cert. Formation. 120417

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



Rolando B. Pablos Secretary of State

## Office of the Secretary of State

December 06, 2017

Lawyer's Aid Service Inc PO Box 848 Austin, TX 78767 USA

RE: Association of Owners of Sherbrooke Square Townhomes, Inc. File Number: 802875426

It has been our pleasure to file the certificate of formation and issue the enclosed certificate of filing evidencing the existence of the newly created nonprofit corporation.

Nonprofit corporations do not automatically qualify for an exemption from federal and state taxes. Shortly, the Comptroller of Public Accounts will be contacting the corporation at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the corporation. Information about franchise tax, and contact information for the Comptroller's office, is available on their web site at <a href="http://window.state.tx.us/taxinfo/franchise/index.html">http://window.state.tx.us/taxinfo/franchise/index.html</a>. For information on state tax exemption, including applications and publications, visit the Comptroller's Exempt Organizations web site at <a href="http://window.state.tx.us/taxinfo/exempt/index.html">http://window.state.tx.us/taxinfo/franchise/index.html</a>. Information on exemption from federal taxes is available from the Internal Revenue Service web site at <a href="http://www.irs.gov">www.irs.gov</a>.

Nonprofit corporations do not file annual reports with the Secretary of State, but do file a report not more often than once every four years as requested by the Secretary. It is important for the corporation to continuously maintain a registered agent and office in Texas as this is the address to which the Secretary of State will send a request to file a periodic report. Failure to maintain a registered agent or office in Texas, failure to file a change to the agent or office information, or failure to file a report when requested may result in the involuntary termination of the corporation. Additionally, a nonprofit corporation will file documents with the Secretary of State if the corporation needs to amend one of the provisions in its certificate of formation. If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section Business & Public Filings Division (512) 463-5555 Enclosure

Phone: (512) 463-5555 Prepared by: Angie Gardner Come visit us on the internet at http://www.sos.state.tx.us/ Fax: (512) 463-5709 TID: 10286

Dial: 7-1-1 for Relay Services Document: 778838230002

#### CERTIFICATE OF CORPORATE RESOLUTIONS OF BOARD OF DIRECTORS ASSOCIATION OF OWNERS OF SHERBROOKE SQUARE TOWNHOMES

# Relating to the adoption of a **WATER BILLING RESOLUTION POLICY** and Rules governing

- (i) the payment of water bills;
- (ii) the levy of unpaid water bill charges as Assessments;
- (iii) the termination of water utility service;
- (iv) requiring the payment of a deposit for the furnishing of water;
- (v) repair and replacement of water meters (and estimates of water use pending such repair and replacement); and
- (vi) required leak inspections in the event of excessive water use.

#### **CORPORATE RESOLUTIONS**

The undersigned Secretary of the **ASSOCIATION OF OWNERS OF SHERBROOKE SQUARE TOWNHOMES**, a Texas non-profit corporation (the "Association"), does hereby certify, that at a regular meeting of the Board of Directors ("Board") of the Association held on \_\_\_\_\_\_, 20\_\_\_\_, with at least a majority of the Board being present, the following resolutions were duly made and approved by the Board:

WHEREAS, pursuant to that certain "Enabling Declaration for SHERBROOKE SQUARE TOWNHOMES" condominium recorded in Volume 112, Page 31, et seq. of the Condominium Records of Harris County, Texas, together with all amendments thereto (the "Declaration"), and the Bylaws of the Association ("Bylaws"), and the Rules and Regulations of the Association ("Rules"), the Association is responsible for administering the general common elements of the SHERBROOKE SQUARE TOWNHOMES Condominium (the "Property") and the restrictive covenants set forth and contained in the Declaration, Bylaws, and Rules applicable thereto; and

WHEREAS, the Association provides water service to each Condominium Unit in the Property; such water is individually sub-metered and/or otherwise allocated to the respective Condominium Unit Owners by, at, or under the direction of the Association; each Owner is charged for his/her/their/its portion of the usage of such water as so sub-metered and/or allocated; such water charge (whether invoiced directly by the Association or at or under the direction of the Association by third parties) is billed to the individual Owners separately from the Assessments; and if such water charges are not paid by the individual Owners, the Association advances and pays his/her/their/its portion of such water charge to the City of Houston (or other bulk water provider) by virtue of its payment of the Association's bulk water bill for the entire Property; and

WHEREAS, Section 82.113 of the Texas Property Code defines Assessments, without limitation, as "...any amounts due to the Association by the Owner or levied against the Unit by the Association...," which such Assessments are secured by the continuing lien in favor of the Association and enforceable as Assessments under the Declaration and applicable law; and

**WHEREAS**, Section 82.102(14) of the Texas Property Code specifically authorizes the Association, acting by and through the Board, to adopt and amend rules regulating the

termination of utility services to a unit to the extent that the cost of the utility service is included in the Assessments due and payable to the Association; and

WHEREAS, the Board of the Association has deemed it necessary to adopt a Water Billing Resolution Policy and Rules governing the collection and enforcement of the payment of unpaid water charges from Owners as to their sub-metered or allocated share of the water charges, including: (i) the payment of water bills; (ii) the levy of unpaid water bill charges as Assessments; (iii) the termination of water utility service; (iv) requiring the payment of a deposit for the furnishing of water; (v) repair and replacement of water meters (and estimates of water use pending such repair and replacement); and (vi) required leak inspections in the event of excessive water use:

**NOW THEREFORE**, formal notice is hereby given to all existing Owners of Condominium Units at the Property and to all future Owners of Condominium Units at the Property that from and after the effective date set forth below, the following policies shall be in full force and effect:

#### WATER BILLING RESOLUTION POLICY and Rules governing:

- (i) the payment of water bills;
- (ii) the levy of unpaid water bill charges as Assessments;
- (iii) the termination of water utility service;
- (iv) requiring the payment of a deposit for the furnishing of water;
- (v) repair and replacement of water meters (and estimates of water use pending such repair and replacement); and
- (vi) required leak inspections in the event of excessive water use.
- 1. The Association provides a monthly invoice or statement to each Owner of a Condominium Unit, which monthly statement includes (i) the regular monthly Assessment then due, and (ii) the most recent water charge sub-metered or otherwise allocated to such Owner's Condominium Unit (whether billed by, at, or under the direction of the Association).

That portion of the monthly invoice or statement reflecting the portion of the water charges are amounts due to the Association by virtue of the Association's payment of the bulk water bill to the City of Houston (or other bulk water provider) and shall constitute Assessments levied against such Owner's Condominium Unit and secured by the continuing Lien in favor of the Association as created in the Declaration and applicable law.

Owners shall remit one payment to the Association each month which shall include the aggregate amount of the (i) the regular monthly Assessment then due, and (ii) the most recent water charge sub-metered or otherwise allocated to such Owner's Condominium Unit, as reflected by the monthly invoice or statement. Each such remittance shall reflect the Unit number for which such remittance relates.

Owners who lease his/her/their Condominium Units shall not cause or direct their tenants to pay the water charge directly and separately to the Association. In the event that any such tenant pays or remits such water charge directly, such remittance is subject to rejection; or if accepted, may result in an additional administrative charge to the Owner's account to cover the additional expenses incurred in allocating such payment and reconciling the account.

- 2. The amount of any water charge billed to any Owner by the Association (or by others acting by or under the direction of the Association) shall be deemed to constitute a levy of an Assessment against the Condominium Unit by the Association (irrespective of whether such charge is referenced as an Assessment) and secured by the continuing Lien in favor of the Association as created in the Declaration and applicable law.
- 3. The failure of any Owner to pay water charges, same constituting Assessments shall result in the discontinuation of water service pursuant to the provisions of Paragraph 4 below.
- 4. Discontinuation of water service:

(a) In the event an Owner is Two (2) months or more delinquent in the payment of water charges, the Association shall instruct its managing agent to provide such Owner with a ten (10) day written demand to pay all outstanding water charges. All costs or expenses (including any costs charged to the Association by its managing agent in connection with the preparation and mailing of such notice) shall be levied against the Unit and Unit Owner and added to the account of the Owner.

(b) In the event that the Owner fails or refuses to pay the outstanding water charges upon the expiration of such ten (10) day period, the water utility services furnished to such Owner's Condominium Unit shall be subject to immediate termination (disconnection of water service).

Prior to the termination of any such water utility service to such (c) condominium unit, the Association (or its agent or representative) shall provide a minimum ten (10) day written notice to the owner/occupant of the condominium unit, which notice shall include, at a minimum: (i) the amount of the water charge or Assessments which must be paid to avoid the termination of the water utility service; (ii) the date by which the water charge or Assessments must be paid to avoid the termination of the water utility service; and (iii) the place or location where such payment must be made to avoid the termination of the water utility service. At the discretion of the Association, the Association shall have the right to require that the payment be remitted by cashier's check or money order as a condition to acceptance of same. The written notice shall be provided by personal delivery to the Condominium Unit (which may include attaching or affixing same to the front door of the Condominium Unit), and by certified mail, return receipt requested (with a copy by regular mail). The ten days shall commence to run upon the earlier of the actual delivery or date of affixing such notice to the condominium unit, or upon the date of mailing of the notice. The written notice shall be addressed to (i) the Owner of the Condominium Unit (as shown in the records of the Association); (ii) any occupant of the condominium unit (if other than the Owner and only to the extent that the name of the occupant is known to the Association); and (iii) "Occupant" at such address. The Notice shall be provided to both the Condominium Unit address and whatever alternate address is shown in the records of the Association for such owner.

(d) All costs incurred by the Association in the disconnection of the water utility service in accordance with these rules established by this Resolution shall be charged to the Condominium Unit and shall constitute the personal obligation of the Owner of the Condominium Unit.

(e) In the event of the disconnection of water utility service to any Condominium Unit in accordance with these rules established by this Resolution, the water utility service shall be reconnected within a reasonable time following the payment in full of all delinquent water charges and/or Assessments, the costs of any disconnection expenses, and the costs of any re-connection expenses. At the discretion of the Association, the Association shall have the right to require that the payment be remitted by cashier's check or money order as a condition to the acceptance of same and reconnection of the water utility service. In addition, the Association, acting by and through its Board, shall have the right, but not the obligation, to require that any such owner seeking the reconnection of such water utility service place and/or maintain a cash deposit with the Association to additionally secure the payment of subsequent Assessments in accordance with the provisions of Paragraph 6 hereof.

5. Collection and foreclosure proceedings: In addition to, and without limitation as to the remedy of discontinuation of water utility service provided in Paragraph 4, any Owner in default in the payment of Assessments to the Association, including any portion of such Assessments which constitute unpaid water charges, shall be subject to the Association proceeding with collection and foreclosure proceedings of the lien in favor of the Association against the Owner's Unit (the lien in favor of the Association being created and reserved in the Declaration and Section 82.113 of the Texas Property Code). All attorney fees and collection costs incurred shall be levied against the Unit and Unit Owner and added to the account of the Owner.

6. Water Deposit. The Association, acting by and through its Board, shall have the right to require that Owners place and/or maintain a cash deposit with the Association to additionally secure the payment of water charges levied as Assessments against the Condominium Unit, generally in accordance with the following procedures:

- (a) As to purchasers/Owner who acquire an ownership interest after the Effective Date hereof:
  - 1. The Board shall have the right to require that all new purchasers acquiring record title to any Condominium Unit pay, at the time of such purchase, a deposit in an amount reasonably determined by the Board from time to time which shall be held by the Association as further security for the payment of water charges levied against the Condominium Unit during such Owner's period of ownership.
  - 2. The deposit shall not accrue any interest and need not be maintained in a segregated account.

- 3. The amount of the deposit shall be uniform in amount for all purchasers who purchase during the time period for which a specific deposit amount has been set or designated by the Board.
- 4. The Board shall have the right, but not the obligation, to refund to the Owner all or portions of the deposit from time to time or at any time upon request of the Owner or upon unilateral action of the Board provided that there is no existing default in the payment of water charges at the time of such refund. Provided however, that in any event, any amount remaining on deposit shall be refunded to the Owner within sixty (60) days following such Owner's sale of the Condominium Unit provided that all water charges accrued during such Owner's period of ownership have been paid in full.
- 5. In the event of a default in the payment of any water charge, the Board shall have the right, but not the obligation, to utilize all or portions of the deposit to pay the outstanding water charges. If any of the deposit is so utilized, the Board may require that the deposit be replenished as a condition to reinstating the Owner's account status.
- (b) As to the restoration of water service following disconnection of water:
  - 1. In the event of the disconnection of water utility service to any Condominium Unit in accordance with these rules established by this Resolution, the water utility service shall be reconnected within a reasonable time following the payment in full of all delinquent Assessments, the costs of any disconnection expenses, and the costs of any re-connection expenses. At the discretion of the Association, the Association shall have the right to require that the payment be remitted by cashier's check or money order as a condition to the acceptance of same and reconnection of the water utility service. In addition, the Association, acting by and through its Board shall have the right, but not the obligation, to require that any such Owner seeking the reconnection of such water utility service place and/or maintain a cash deposit with the Association to additionally secure the payment of subsequent Assessments in accordance with the following procedures:
    - (a) The deposit shall be in an amount reasonably determined by the Board from time to time. Such deposit shall be held by the Association as further security for the payment of Assessments levied against the condominium unit during such owner's period of ownership.
    - (b) The deposit shall not accrue any interest and need not be maintained in a segregated account.

- (c) The amount of the deposit shall be uniform in amount for all owners for whom a specific deposit amount has been set, designated, and required by the Board.
- (d) The Board shall have the right, but not the obligation, to refund to the Owner all or portions of the deposit from time to time or at any time upon request of the Owner or upon unilateral action of the Board provided that there is no existing default in the payment of Assessments at the time of such refund. Provided however, that in any event, any amount remaining on deposit shall be refunded to the Owner within sixty (60) days following such Owner's sale of the condominium unit provided that all Assessments accrued during such owner's period of ownership have been paid in full.
- (e) In the event of a default in the payment of any Assessments, the Board shall have the right, but not the obligation, to utilize all or portions of the deposit to pay the outstanding Assessments).

7. In the event that a water meter reports or registers zero (-0-) water usage, the water meter shall presumed to be malfunctioning and in need of repair and/or replacement. In such event, the water usage will automatically be estimated and charged to the Owner based upon the square footage and average usage of the unit; and such estimated charges shall be charged to the Owner until such time that either (i) the water meter is inspected and if determined to be inaccurate and in need of repair or replacement, repaired or replaced (and in such event, after such repair or replacement, monthly charges shall resume based upon the actual usage); or (ii) the Owner furnishes the Association with evidence that the Condominium Unit is vacant and that the Owner's Unit has been inspected for any water leaks and no water leaks have been detected.

In the event that a water meter reports or registers an excessive amount of 8. water use, the Owner shall be required to perform and provide a report to the Association that the Owner has had his/her/its Condominium Unit inspected for any leaks and that there are no such leaks. Unless otherwise agreed to or waived in writing by the Association, the inspection and report must be performed and furnished by a licensed plumber. The Owner shall be required to obtain such inspection and provide such report to the Association within thirty (30) days of the Association's written request therefor. The cost of any such inspection and report shall be the obligation of the Owner of the Condominium Unit. Failure to perform such inspection and provide such report to the Association within such thirty (30) day period may result in the imposition of fine(s) against the Owner until such inspection and report is provided, unless such deadline is extended pursuant to the agreement of the Association. In the event that the inspection and report indicates any water leak(s), the water leak(s) must be repaired at the sole cost and expense of the Owner within ten (10) days after the date of such inspection and/or report and the Owner shall furnish evidence to the Association that such repairs have been performed. Failure to repair any such water leak(s) within such time frame may result in the imposition of fine(s) against the Owner until such time that the leak(s) are repaired.

9. The individual water meters serving each Condominium Unit are Common Elements, which shall be repaired and/or replaced by the Association as a common Expense. Provided however, that in the event that the need for repair or replacement is due to the negligence or willful misconduct of the Owner, an occupant of the Owner's Unit, or the Owner's or occupants family, guests, employees, contractors, agents or invitees, the cost of such repair or replacement shall be levied against the Owner of the Condominium Unit and Condominium Unit pursuant to the Declaration.

10. The Board shall have the authority, and reserves the right, to waive or otherwise modify the method and manner of the application and enforcement of the foregoing rules established by this Resolution (whether on a temporary basis or otherwise) in the event that specific circumstances warrant same, as may be reasonably determined by the Board.

The foregoing rules established by this Policy Resolution replace any existing rules or policies to the extent that the foregoing conflicts with any existing rule or policy of the Association.

The foregoing Policy Resolution and the rules established hereby shall be effective upon the recording of this Policy Resolution in the Real Property Records of Harris County, Texas as a "dedicatory instrument" pursuant to the requirements of Section 202.006 of the Texas Property Code.

#### ASSOCIATION OF OWNERS OF SHERBROOKE SQUARE TOWNHOMES, a Texas non-profit corporation

By: \_\_\_\_

§

(signature)

(name printed) Its: Secretary

STATE OF TEXAS

S S COUNTY OF \_\_\_\_\_ S

This instrument was acknowledged before me on this \_\_\_\_\_day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_\_, Secretary of **ASSOCIATION OF OWNERS OF SHERBROOKE SQUARE TOWNHOMES**, a Texas non-profit corporation, on behalf of such corporation.

Notary Public, State of Texas

Record and Return to: Frank, Elmore, Lievens, Chesney & Turet, LLP Attn: Richard C. Lievens 9225 Katy Freeway, Suite 250 Houston, TX 77024