

BUSINESS AND MIXED USE CONDOMINIUMS

(Part 2: Documents' Package for an Office Condominium)

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HONORS: AV® Preeminent™ Peer Review Rating, Martindale.com; American College of Real Estate Lawyers (2007 – 2013); The Best Lawyers in America (Real Estate) (1999 - 2013); Who's Who in America (1995 - 2013) and Who's Who in American Law (1985 - 2013); *Texas Monthly*, Super Lawyer - Real Estate (2001-2012); Received The Jerry Charles Saegert Award for "Best CLE Paper" for *Annotated Insurance Specifications*, State Bar of Texas, Annual Advanced Real Estate Law Course (2011).

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BUSINESS AND MIXED USE OFFICE CONDOMINIUMS
(Part 2: Documents' Package For An Office Condominium)

The documents in this portion of the article is the work product of the author for two condominium office developments. These materials are subdivided into 6 parts or “**packages**” of documents, one for each phase of the project. First drafts of these materials were presented to the client, a first-time office condominium developer, at the inception of the planning process in a notebook of documents as a guide to the documents to be encountered throughout the project.

References to “Tabs” in the materials were to division tabs in the notebook. The Tab references still apply to the materials in this article and refer to the section and subsection headings.

This project consists of 11 separate stand alone to-be-built buildings, each comprising a separate “unit.” Each unit is comprised of its building, which is separately owned by the condominium buyer, and an 1/11th undivided interest in the common elements. The common elements are the land, infrastructure (drives, parking, landscaping and utilities). The unit owner is responsible for maintenance and insurance of its building. The Association is responsible for maintenance and insurance of the common elements.

The project developer retains flexibility under the documents to develop and sell each Unit in one of three methods: sale of a building “site” with the building to be built by the buyer, sale of a building to be built by the developer for the buyer, or a turnkey sale of a completed building with interior finish out. In the second and third method, developer may contract either to convey (close) title into the buyer before construction commences on the building or after the building is completed.

In each of the three methods, upon determination of the building’s boundaries, the declaration of covenants, conditions and restrictions (the “**Condominium Declaration**”) is amended to substitute the description of the as-built or projected as-built boundaries of the building for the “building site” designated for the building prior to its construction.

Tab A consists of three **Memos to the Client**: (1) a Chart of Documents explaining each of the document packages to be prepared over the course of the project from the initial condominium declaration and attached forms including surveyor’s and architect’s certificates, Certificate of Formation, bylaws, rules, architectural guidelines, mortgagee’s consent, boundary designation, to be filed at the inception of the project and through sales, construction, sales and financing closings, association formation, management and operations; (2) a Checklist of Provisions and Questions for Preparation of the Declaration; and (3) a Checklist of Sales Contract Provisions. The condominium developer is referred to as “**Condominium Developer, Ltd.**” in the various forms as a limited partnership is the likely entity form to be employed by the developing entity.

Tab B is the **Condominium Documents Package**, including forms of Declaration of Covenants, Conditions and Restrictions, Certificate of Formation; Bylaws; Management Certificate; Rules; Architectural Guidelines; Boundary Designation; and Notice of Dedicatory Instruments.

Tab C is the **Sales Package** consisting of the Sales Contract, Commercial Condominium Information Statement, various Addenda to the Sales Contract including “Check-the-Box” Addenda (Addendum for each of the three methods of sale: when only a building site is being sold with anticipation that the buyer will build the building and finish out; Addendum for use when the seller is building both the infrastructure and the building but not the finish out; and an Addendum for a turnkey project where the seller is constructing and selling to the buyer a completed and finished out commercial unit).

Tab D is a **Closing Document Package** consisting of the Deed, Management Certificate and Seller’s Assignment of Manufacturer’s Limited Warranties.

Tab E is the **Condominium Association Formation Package** including name reservation; directors' minutes for the organizational meeting, the first annual meeting of elected directors; minutes of first meeting of members; and Management Agreement.

Tab F are **Association Operation Forms**, which includes forms for use during the operation of the Project including a Resale Certificate and Condominium Lien Affidavit.

A. Memos to the Client.

The following are three Memos to the developer client:

1. **Chart of Documents** explaining each of the document packages to be prepared over the course of the project from the initial condominium declaration and attached forms including surveyor's and architect's certificates, Certificate of Formation, bylaws, rules, architectural guidelines, mortgagee's consent, boundary designation, to be filed at the inception of the project and through sales, construction, sales and financing closings, association formation, management and operations.
2. **Checklist of Provisions and Questions for Preparation of the Declaration.**
3. **Checklist of Sales Contract Provisions.**

A1. Memo to Client Identifying Documents Involved in Project.

The following Memo is like a table of contents in that it lists each of the document packages to be developed for the client. It also contains a description of the purpose and objectives to be addressed by the document. References to “you” are to the client.

MEMORANDUM

TO: [Client]
 FROM: [Lawyer]
 DATE: February 20, 2013
 RE: Chart of Documents

The following is a chart of the documents which are enclosed with this Memorandum. Included are documents at the following Tabs: A. Statutes and Checklists, B. Condominium Document Package, C. Sales Package, D. Sales Closing Package, E. Condominium Association Formation Package, and F. Association Operation Forms Package.

A. Statute and Checklists.

Tab	Document Title	Comments
A1	Texas Uniform Condominium Act (“ TUCA ”)	This Memo is found at Tab A1 . Also, following this Memo is a copy of TUCA. I suggest that you furnish each Buyer with a copy of TUCA prior to its executing the Sales Contract.
A2	Checklist of Provisions and Questions for Preparation of the Declaration	This document is a Checklist of issues that need to be addressed for us to complete drafting the Condominium Declaration and its Attachments to be used by you to market the project. A draft of the Condominium Declaration and its attachments is found at Tab B
A3	Checklist of Sales Contract Provisions	This document is a Checklist of issues that need to be addressed for us to complete drafting the Sales Contract and its Attachments to be used by you to market the project. A draft of the Condominium Declaration and its attachments is found at Tab C . This Checklist is keyed to the ¶ numbers of the enclosed Sales Contract.

B. Condominium Documents Package. See Pages 23 *et seq.*

Tab	Document Title		Comments
B1	Declaration of Covenants, Conditions and Restrictions		<p>The Declaration should be furnished to the Title Company handling the closing of the sales for its review and approval prior to initiating sales of units. Also, the Title Company should be requested to file the Condominium Declaration and issue a <i>pro forma</i> title commitment for your use in connection with marketing of units.</p> <p>The recording information will be used in the Commercial Condominium Information Statement delivered to buyers prior to their execution of a Sales Contract (see Tab C2).</p> <p>You will also need to have the Declaration reviewed and approved by the existing lender prior to filing. This lender will need to approve releasing its lien as to each unit on closing of a sale of such unit. See Tab D4.</p>
B2	Exhibit A - Legal Description		Platted description. The project is to be built on Lot __, Block __ of the subdivision. This exhibit identifies the lot, block and recording information for the recorded plat.
B3	3.1	Exhibit B - Plat and Plan of the Property	TUCA § 82.055(12) requires the Condominium Declaration to have attached to it a “plat or plan” or the recording data of a plat or plan that has been recorded in the real property or condominium plat records. TUCA § 82.059 specifies the information to be depicted on the plat or plan. TUCA § 82.059(a) lists the information to be included on the “ plat ” and § 82.059(b) lists the information to be included on the “ plan .” § 82.059(g) specifies that an independent licensed “surveyor or engineer” is to certify the plat showing all perimeter boundaries of the condominium land and provides that an independent licensed “architect, surveyor or engineer” is to certify the plat or plans showing the other information required by TUCA.
	3.2	Certificates	Enclosed are separate Surveyor’s and Architect’s Certificates.
B4	Exhibit C - Percentage of Ownership of Common Elements		TUCA permits you to allocate different percentages to the units for different purposes (e.g., voting, common assessments and ownership). In Exhibit C we have allocated the 11 units comprising the project on an equal 1/11 th basis for all purposes even though the size of each building site and unit may vary based on the size of the building to be constructed for or by each buyer.

B5	Exhibit D - Certificate of Formation of the Association	Enclosed is a copy of Certificate of Formation for the Association which we have previously filed with the Secretary of State.
B6	Exhibit E - Bylaws	This Exhibit is the form of Bylaws to be adopted by the initial Board of Directors of the Association. The initial Board of Directors is named in the Certificate of Formation. See Tab E below.
B7	Exhibit F - Management Certificate	This Exhibit is a document required by §82.116 of TUCA to be completed and filed of record by the Declarant prior to the closing of sales of units in the Project.
B8	Exhibit G - Consent of Declarant's Mortgagee	<p>Several completed executed originals of the Declaration will need to be provided to the Project's construction lender for its review and approval prior to filing of the Declaration. This Exhibit is the form of Consent that your lender will need to execute prior to filing of the Declaration. You should also provide the lender with a copy of the proposed form of Partial Release of Lien (Tab D4) to be executed by lender in connection with each conveyance by Condominium Developer, Ltd. of a Unit and the proposed form of Sales Contract with Addendums (Tabs C) and Note and Deed of Trust (Tabs D5 and D6) evidencing and securing the Construction Price payable by a Buyer to Condominium Developer, Ltd. The Note and Deed of Trust completed as to Construction Price per the Sales Contract are to be executed by Buyer and delivered to Condominium Developer, Ltd. at closing of the conveyance of a Building Site to a Buyer. The lender providing the Buyer with financing for the Construction being undertaken by Condominium Developer, Ltd. of the Shell or the Turnkey will likely require an assignment of the Note and Deed of Trust from Condominium Developer, Ltd. to the lender, and in such connection will enter into a separate agreement with Condominium Developer, Ltd. by which the lender funds directly to Condominium Developer, Ltd. the Progress Payments required to be made by the Buyer to Condominium Developer, Ltd. for the Construction.</p> <p>I would be glad to furnish a form of Transfer of Lien and Construction Price Funding Agreement for execution between the lender and Condominium Developer, Ltd. if the lender requests.</p>
B9	Exhibit H - Rules and Regulations	This Exhibit is a form of Rules and Regulations to be adopted by the initial Board of Directors of the Association at its Organizational Meeting. See Tab E below.

B10	Exhibit I - Architectural Guidelines	This document are general building guidelines with an attached form for the Owner and the ACC to use in processing the plans and specifications.
B11	Exhibit J - Boundary Designation	This document is to be executed by the Board at the time that an Owner's obtains approval from the Architectural Control Committee (" ACC ") of the Owner's plans and specifications for its Unit. At that time the location of the Unit's perimeter walls can be forecast and the Unit's boundary inside the building envelope can be known.
B12	Notice of Dedicatory Instrument	This document with attachments is filed with the County Clerk each time the Bylaws, the Architectural Guidelines, etc. are amended.

C. Sales Package.

Tab	Document Title		Comments
C1	Sales Contract		It is possible that Condominium Developer, Ltd.'s construction lender will want for the Seller's rights under the Sales Contract to be collaterally assigned to the lender in connection with its construction loan. You will need to give consideration to whether you will make arrangements with a conventional lender to commit to make financing available on the Project. If so, you will need for the take-out/finish-out lender to review and approve the condominium documentation and issue a loan commitment for you to provide to your buyers.
	Attachments to Sales Contract		To be attached to the Sales Contract are the following documents (the " Attachments ").
C2	CCIS		This document is a "commercial" condominium information statement (" CCIS ") patterned after the TREC form of condominium information statement provided in connection with residential projects.
	C2.1	Site Plan	Item (3) to CCIS. This Attachment is to be prepared by you and depicts/describes the Unit being sold.
	C2.2	Allocations	Item 9 to CCIS. This attachment is the % allocation for unit owners and any special user fees.
	C2.3	Budget	Item (10)(f) to CCIS

	C2.4	Title Exceptions	<p>Item (6) to CCIS. This Attachment is a listing of all title exceptions (a copy of a <i>pro forma</i> title commitment issued by the Title Company should be substituted by you for this exhibit).</p> <p>I recommend that a <i>pro forma</i> Title Commitment be issued now for delivery to interested persons prior to filing of the Declaration and again after the recording of the Declaration so that its recording is reflected in the Title Commitment.</p>
	C2.5	Condo Doc.s	<p>Item (10)(a) -(d) to CCIS. This Attachment is copy of the Declaration, including the Certificate of Formation of the Association, the Bylaws, Rules and Regulations, Architectural Guidelines. See Tabs B6, 7, 10 & 13. You may wish to package this Attachment along with the attachments C2.1 - C2.4 into a separate booklet to be delivered along with the Sales Contract and received for by the Buyer.</p>
	C2.6	Special Declarant Rights	<p>Item (5) to CCIS. This Attachment is quoted from the Condominium Declaration and is a statement of the rights reserved to you as the Declarant under the Condominium Declaration. TUCA §§ 82.003(a)(12), (22), 82.060, 82.067(b)(1), 82.103(c) and (d), 82.104, 82.112(c) address development and special declarant rights.</p>
	C2.7	Insurance	<p>Item (8) to CCIS. This is a schedule of the types and coverages of insurance to be maintained by the Association.</p>
	C2.8	Warranties	<p>Item (10)(g) to CCIS. This attachment will be the form of limited warranty you will provide each buyer of a turnkey building or a shell building against construction defects.</p>
C3	Buyer's Receipt		<p>This is a part of the form at Tab C2.</p>
C4	"Check-the-Box" Addenda		<p>The Sales Contract provides for 3 alternate forms of sale and each alternative is to be documented by one of the following 3 Addenda:</p>
	C4.1	Bldg. Site Only	<p>Building Site Only Addendum. This Addendum is for use in cases where the Seller is selling only a Building Site to the Buyer and the Buyer is constructing the Building Shell and Finish-Out with its own contractor other than the Seller.</p>
	C4.2	Shell	<p>Unfinished-Out Shell Space Addendum. This Addendum is for use in cases where the Seller is selling an unfinished out Building Shell to the Buyer and the Buyer is completing the Building Shell with its own contractor other than the Seller.</p>

	C4.3	Turnkey	Sale of a Finished-Out Unit. This Addendum is for use in cases where the Seller is selling a Unit on a turnkey basis (completed Building Shell with Finish-Out).	
C5	Addenda and Schedules to Accompany C4 Addenda		For Use With: C5.1 –Use C5.1.1-C5.1.5 with C4.1 and C4.2/3 where Buyer is undertaking construction of Shell or Shell and Finish-Out. C5.2 –Use with C4.3 if Seller is constructing Unit on a Cost Plus Basis as opposed to a Fixed Fee Basis.	
	C5.1	Buyer Construction	C5.1.1	Insurance Schedule and Construction Contract Addendum. This Addendum permits Seller to require the Buyer to meet certain minimum standards for insurance, including requiring that the Buyer and/or its contractor designate the Association and the Seller/Declarant as additional insureds on the Buyer's and/or its contractor's CGL policy and requiring them to provide Certificates of Insurance proving coverage. Additionally, this Addendum permits the Seller to require Buyer and its contractor to waive and indemnify as to claims against the Association and the Seller/Declarant for construction related accidents.
			C5.1.2	Insurance Schedule. This schedule needs to be reviewed by the Seller's insurance agent and limits and coverages approved or revised.
			C5.1.3	Certificate of Liability Insurance. This certificate needs to be reviewed by the Seller's insurance agent and limits and coverages approved or revised.
			C5.1.4	Certificate of Property Insurance. This certificate needs to be reviewed by the Seller's insurance agent and limits and coverages approved or revised.

			<p>C5.1.4 Attachment to Contractor’s Certificate of Insurance. This is an attachment to accompany C5.1.3 and C5.1.4. It may need to be split into separate attachments depending on whether the same agent issues on behalf of each of the carriers providing the respective Liability and Property Insurance. The Attachment and the Certificates call for the agent to provide a copy of the Additional Insured and other forms of requested endorsements. These endorsements must be reviewed as part of the Association’s approval of the proffered insurance to assure that insurance specifications are being met.</p>
			<p>C5.1.5 Schedule of Provisions for Construction Contracts.</p>
			<p>C5.1.6 Payment Bond and Dual Obligee Rider. This is a statutory form Texas Hardeman Act Bond. The common AIA form does not comply with the Texas statute. The contractor constructing each respective Building Shell/Turnkey should be asked to furnish a Payment Bond in this form and a Performance Bond (there is no statutory form of Performance Bond). The Payment Bond should be filed for record prior to the contractor’s commencing Construction of the Building. The lender providing financing for the Building’s construction will want to be listed as a Dual Obligee. Attached is a form of Dual Obligee Rider. For illustration purposes, I have filled it out showing the Bank as the construction lender. I can provide you a blank copy if needed.</p>
	C5.2	Seller Construction	Sale of a Finished-Out Unit – Cost Plus Addendum. This Addendum is for use with C4.3 if Seller is providing a completed Unit on a Turnkey Basis and if the Finish-Out is on a Cost Plus Basis.
	C5.3	Pre-Closing Walk-Through Inspection	This form is for use at the time of Final Completion of a Building Shell and/or Turnkey job and to trigger payment of the remaining balance on the Promissory Note (Tab D5)executed by buyer and payable to you.
C6	TREC Form		Agreement for Mediation; Information About Brokerage Services. This form is required by the Texas Real Estate Commission (TREC) to be signed by the parties in transactions involving real estate agents.

C7	Special Provisions Addendum	This is a form of Addendum to add special provisions to the contract.
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D. Closing Package.

Tab	Document Title	Comments
D1	Deed	The deed will be completed at the time of sale based on an updated Title Commitment and after recording of the Declaration.
D2	Management Certificate	Management Company, LLC, as manager of the Project, will need to execute and deliver to each buyer at closing a <i>Management's Certificate</i> as required by § 82.116 of TUCA.
D3	Seller's Assignment of Manufacturer's Limited Warranties	The Sales Contract contemplates an assignment by the Seller to Buyer of any manufacturer's warranties incorporated into the units.

D4	Partial Release of Liens	<p>Condominium Developer's Bank will need to execute a partial release of lien in connection with each Deed to a Buyer. Releases will occur in connection with the closing of the sale of a Building Site to each Buyer, subject to thereafter to completion of Construction of the Shell or Turnkey as provided in the Sales Contract. You need to review this procedure with Condominium Developer's Bank and with the lender providing each Buyer with construction financing (which I presume should and will be Condominium Developer's Bank).</p> <p>You should provide the lender with a copy of the proposed form of Partial Release of Lien (Tab D4) to be executed by lender in connection with each conveyance by Condominium Developer, Ltd. of a Unit and the proposed form of Sales Contract with Addendums (Tabs C) and Note and Deed of Trust (Tabs D5 and D6) evidencing and securing the Construction Price payable by a Buyer to Condominium Developer, Ltd. The Note and Deed of Trust completed as to Construction Price per the Sales Contract are to be executed by Buyer and delivered to Condominium Developer, Ltd. at closing of the conveyance of a Building Site to a Buyer. The lender providing the Buyer with financing for the Construction being undertaken by Condominium Developer, Ltd. of the Shell or the Turnkey will likely require an assignment of the Note and Deed of Trust from Condominium Developer, Ltd. to the lender, and in such connection will enter into a separate agreement with Condominium Developer, Ltd. by which the lender funds directly to Condominium Developer, Ltd. the Progress Payments required to be made by the Buyer to Condominium Developer, Ltd. for the Construction.</p>
D5	Promissory Note	<p>Each Buyer is to execute at the closing of the sale of a Building Site to the Buyer a Promissory Note payable to Seller in the amount of the Construction Price. The Maturity Date and amount will vary based on each deal.</p>
D6	Deed of Trust	<p>Also, at closing the Buyer is to execute and Seller is to record a Deed of Trust securing the payment to Seller of the Construction Price.</p>

E. Condominium Association Formation Package.

Tab	Document Title	Comments
E1	Reservation of Corporate Name for Association Certificate of Formation	This letter is to be filed by us with the Secretary of State of the State of Texas in order to reserve the corporate name for the Association and reserves this name for 90 days. This name will be incorporated into the Certificate of Formation to be filed with the Secretary of State. We suggest that the Articles be filed prior to marketing of the property.
E2	Directors' Meetings	Attached are sample documents for Directors meetings. The Certificate of Formation will name initial directors appointed by you to organize the Association. Thereafter following the First Meeting of the Members, the Directors elected at the First Meeting of Members will conduct the First Annual Meeting of Elected Directors.
E2.1	Organizational Meeting	An organizational meeting of the directors needs to occur after the Certificate of Formation are filed with the Secretary of State and before the First Meeting of the Members. The Directors appointed by the Declarant serve until the First Annual Meeting of the Members.
	E2.1.1 Waiver	This form is to be signed by the Directors and waives written notice of the Directors' meeting otherwise required by the Texas Non-Profit Corporation Act.
	E2.1.2 Agenda	<p>Enclosed is the Agenda for the Organizational Meeting of the Directors. At this meeting of the Directors, the following business could be undertaken:</p> <ul style="list-style-type: none"> (1) Management Agreement. Item 12 - Approval of the management agreement with the management service. (2) Budget. Item 14 - Approval of the Budget and assessments of the Members. (3) Third Party Services. Item 13 - Approval of other third party service contracts (e.g., cable system, security system). (4) Bank Account. Item 9 - Establishment of bank account. (5) Insurance. Approval of insurance program. (6) Rules. Item - 15 - Adoption of Rules and Regulations.

	E2.1.3 Minutes	Enclosed is a draft of the Minutes of the Organizational Meeting of the Board of Directors
E2.2	First Annual Meeting of Elected Directors	The First Annual Meeting of the Board of Directors occurs after the First Annual Meeting of the Members, as new Directors are to be elected at the First Annual Meeting of the Members to succeed to the Board of Directors appointed by the Declarant in the Certificate of Formation. Until the expiration of the Declarant Control Period, as long as the Declarant controls a majority of the votes, it can control the election of the Directors.
	E2.2.1 Agenda	Enclosed is an Agenda for the First Annual Meeting of the Board of Directors. The Agenda will include such items as election of officers and approval of the Budget and Assessments.
	E2.2.2 Minutes	Enclosed is a draft of the Minutes of the First Annual Meeting of the Board of Directors.
E3	Members' Meetings	
	First Annual Meeting	
	E3.1 Agenda	Enclosed is an Agenda for First Annual Meeting of Members.
	E3.2 Affidavit of Notice	Enclosed is an Affidavit to be executed in connection with the giving of notice of Annual Meetings of the Members.
	E3.3 List of Mortgagees	Enclosed is a List of Mortgagees entitled to notice of meetings of the Association as permitted by § 7.2 of the Declaration. Some lenders require that they be provided with notice of meetings or at least that the Condominium Documents provide that lenders be provided with notice of Meetings, if the lender requests that it be notified. Unless a lender has requested that it be notified of Meetings, no notice is required.
	E3.4 Minutes	Enclosed is a draft of Minutes of First Annual Meeting of the Members. Attached as Exhibit A to the Minutes is a List of Members Entitled to Notice of Annual Meeting and Members Present in Person or by Proxy.

E4	Management Agreement	You will need to review this and we can customize as appropriate Section 7.1 and Schedule 1 will need to be completed to address compensation.
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F. Association Operation Forms.

Tab	Document Title	Comments
F1	Resale Certificate	Enclosed is a form of Resale Certificate required to be delivered by the Association to a buyer upon request pursuant to TUCA §82.157.
F2	Condominium Lien Affidavit	Enclosed is a form for use by the Association in the event of non-payment of assessments.

A2. Condominium Declaration – Checklist of Provisions and Questions.**MEMORANDUM**

TO: [Client]

FROM: [Lawyer]

DATE: February 20, 2013

RE: Condominium Declaration – Checklist of Provisions and Questions

The following is a Checklist of provisions and questions as to the Condominium Declaration at **Tab B1**.

Declaration

§	Section Heading	Comments
1.13, 1.26 & 1.43	Unit and Common Elements	Article I, §§1.13 "General Common Elements," 1.26 "Limited Common Elements" and 1.43 "Unit." Please review these definitions and advise if any additional items need to be include within their definition.
1.28	Plat, Map or Plan	TUCA §§ 82.003(a)(18) and (19) and 82.059 set out the statutory requirements for the plat. It must be prepared and certified by a surveyor or engineer.
1.17	Construction Period	§1.17 defines the "Declarant Control Period" as being the period ending on the earlier to occur of the sale of __ Units or 3 years following the sale of the first Unit. See §5.12 <i>Payment of Assessments by Declarant</i> for a limitation on the assessments owing by the Developer during the Declarant Control Period and TUCA §82.112.
2.9 4.2(d) 5.12	Special Declarant Rights	<p>(1) Reservation of Special Declarant Rights. §2.11 reserves certain rights to the Developer.</p> <p>(2) Declarant Control Period. As permitted by TUCA, § 4.2(d) provides that the Developer may appoint all Directors until __ Units have been conveyed and may thereafter appoint 2/3rds of the Directors until __ of the Units have been conveyed.</p> <p>(3) Payment of Assessment by Declarant. As permitted by §82.112 of TUCA, §5.12 limits the Declarant's obligation for assessments during the Declarant Control Period.</p>

3.4	Nonresidential Purposes	§3.4 restricts use of the Units to nonresidential purposes.
3.7	Owner Maintenance	§3.7 defines the items to be maintained by the Owners.
4.2	Board of Directors	The Board is to be composed of 1 representative of each Unit. The term is 1 year.
4.4 2.4	Administration and Enforcement of Condominium Documents	§4.4 provides for various means to enforce the Condominium Documents, including §§4.4(f) <i>Fines</i> , 4.4(g) <i>Remedies against tenants</i> , 2.4(r) <i>Venue and Lawsuit Authority</i> , 2.4(t) <i>Association Entry</i> , and 2.4(v) <i>Assignment of Revenues</i> .
4.5(b)	Votes	§4.5(b) provides that each Unit has 1 vote.
4.6	Insurance	§4.6 provides the types of insurance to be maintained by the Association.
5.3	Assessments	§5.3 provides that assessments are to be determined by the Board.

Exhibits to Condominium Declaration

The Condominium Declaration has attached to it the following Exhibits.

Ex.	Document Title	Comments
A	Legal Description (Tab B2)	You will need to provide me with the legal description of the Property.
B	Plat or Plan of the Property (Tab B3)	A plat or plan of the Property subject to the Declaration meeting the requirements of TUCA (See §§ 82.058, 82.003(a)(18) and (19), 82.052, and 82.055(4) and (12). A reduced version is to be attached to the Declaration and a separate larger version is to be separately recorded with the County Clerk in the Condominium Plat Records.
C	Percentage of Ownership of Common Elements (Tab B3)	This Exhibit allocates a fraction to each unit equal to 1 divided by the number of total Units in the Project of the Common Elements and 1 vote to each Unit.

D	Certificate of Formation of the Association (Tab B5)	The separate original of the Articles will be filed of record with the Secretary of State.
E	Bylaws of the Association (Tab B6)	The Bylaws are to be adopted by the initial Board at its Organizational Meeting.
F	Management Certificate (Tab B7)	A separate original of the Management Certificate is to be executed by the Management Company and filed for record.
G	Consent of Declarant's Mortgagee (Tab B8)	You will need to provide several completed executed originals of the Declaration to the Mortgagee. The Mortgagee will need to execute the <i>Consent of Declarant's Mortgagee</i> on the original of the Declaration that is to be filed of record.
H	Rules and Regulations (Tab B9)	These are a basic set of rules and regulations or policies to be adopted by the Board of Directors as governing the conduct of owners of office condominiums in the project.
I	Architectural Guidelines (Tab B10)	The Architectural Guidelines are to be adopted by the initial Board at its Organizational Meeting.
J	Boundary Designation (Tab B11)	This form is to be completed and filed in connection with each unit as its building's perimeter is finalized.

A3. Condominium Sales Contract – Checklist of Provisions and Questions.

MEMORANDUM

TO: [Client]
 FROM: [Lawyer]
 DATE: February 20, 2013
 RE: Condominium Sales Contract – Checklist of Provisions and Questions

The following is a Checklist of provisions and questions as to the Sales Contract and the Attachments at **Tab C1**. The Project’s construction lender may wish for the Seller to pledge these contracts as collateral for its development loan. I can provide you with a collateral assignment form if desired by the interim lender.

Sales Contract

¶	Paragraph Heading	Comments
2A	Property	The Sales Contract calls for there to be attached as Addenda a Site Plan depicting the layout of the Building on the Property and a Floor Plan of the Unit. Attached to the Sales Contract are cover sheets for these Addenda containing various disclaimers. The Sales Contract contemplates an assignment without recourse of any manufacturer’s and contractor’s warranties.

<p>2B</p>	<p>Condominium Documents</p>	<p>The Sales Contract provides alternative boxes as to whether Buyer has received a copy of the Condominium Documents prior to executing the Sales Contract. The Texas Uniform Condominium Act permits parties to a nonresidential condominium sales contract to waive the Purchaser Protections set out in Subchapter D of TUCA. These protections include a requirement that the Buyer be provided with a copy of the Condominium Documents and a comprehensive Condominium Information Statement prepared in accordance with TUCA. I have added a provision to Paragraph 2C whereby Buyer waives the provisions of Subchapter D of TUCA. Despite having done so, I have drafted the Sales Contract to provide by contract some of the protections of Subchapter D of TUCA, such as providing the Buyer before or after execution of the Contract with the Condominium Documents and a Commercial Condominium Information Statement. This approach will avoid the rigors of preparing a Condominium Information Statement meeting and continuing to comply with the rigors of Subchapter D of TUCA, but at the same time affording the Buyer with these documents and disclosure. This approach also allows for disclosure as to important aspects of the Project. Buyer should sign the separate Buyer's Receipt for the Condominium Documents (Tab C3) signifying that it received and reviewed the Condominium Documents. I have provide a form of Receipt in the Sales Package.</p>
<p>2C</p>	<p>Commercial Condominium Information Statement</p>	<p>The Sales Contract states that the Buyer has received a copy of the Commercial Condominium Information Statement prior to executing the Sales Contract. The Buyer should sign the separate Buyer's Receipt (Tab C3) for the CCIS signifying that it received and reviewed the CCIS prior to executing the Sales Contract. As noted above, the Sales Contract provides for waiver by Buyer of application of the provisions of Subchapter D of TUCA to the transaction. I have provided in the Sales Contract this waiver. However, I have included in the Sales Contract an alternative form of disclosure document (the CCIS) so that this type of information is provided to a Buyer in connection with its decision to buy a Unit.</p>
<p>3 & 4</p>	<p>Sales Price</p>	<p>The Sales Price for each Unit is a combination of the negotiated price for the Unit's share of the land and infrastructure and the Construction Price for the building shell and/or finish out if the Unit is being sold on a turnkey basis.</p>

5	Earnest Money	The Sales Contract provides for an initial amount of Earnest Money payable at contract execution and an optional additional amount to be deposited "within ____ days" after contract execution. The Title Company selected by the Seller acts as the escrow agent. Your lender may wish for the deposit to be held at its bank.
6	Title Policy	<p>The Sales Contract contains alternative choices as to who pays for the Title Insurance. The Sales Contract differs from the TREC approach as the Buyer is not afforded the opportunity to review a title commitment and to object to matters reflected therein. The Buyer is protected by the Title Policy to be issued at closing. The Title Company probably will proceed as it normally does in providing the Buyer with a title commitment, but the step of affording the Buyer the right to terminate the Sales Contract based on its review of the title commitment and its exceptions is eliminated. The standard list of Title Exceptions is revised to include the following exceptions:</p> <p>(a) Matters in Progress. ¶ 6A(5) (also see ¶ 11A(2)) is an exception for any easements reserved or granted by Seller in connection with the development of the Condominium or in developing adjacent property, and for management agreements, service contracts and other agreements not of record executed by the Seller prior to the formation of the Association or by the Association after its formation.</p> <p>(b) Construction. ¶ 6A(11) is an exception for any pre-closing work that may be requested or undertaken by Buyer.</p>
7A	Inspection	¶ 7A provides the Buyer the right to inspect the Unit prior to closing. But, Buyer is not afforded an out based on its post contract inspection of the Unit. Buyer is to make an appointment with Seller at least 2 days in advance.
7B	“As Is” Limited Warranty	¶ 7B provides that the sale is "as is" except for the limited warranties to be provided by the Seller as set out in the Limited Warranty and Service Procedures Agreement to be provided by Seller in connection with each sale. Seller also assigns its interest in any manufacturer warranties. If you are not providing a post-closing warranty, then this provision will need to be revised.
8	Broker’s Fees	¶ 8 is the standard TREC provision requiring any commission agreements to be in writing.

9	Closing	This provision permits the Title Company to be designated by the Seller. This form has alternate provisions addressing determination of the Closing Date, depending on whether or not the sale contract is executed before or after construction of improvements of the Project. The Contract will need to be revised prior to its use.
11	Special Provisions	<p>(a) Reserved Rights. ¶ 11A(1) provides that Seller may impose additional covenants, agreements and easements on the Project after execution of the Sales Contract but prior to the closing of the first sale, so long as they do not substantially or materially affect the use of the property as a nonresidential condominium.</p> <p>(b) Seller's Rights. ¶ 11A(2) provides that the Seller reserves certain rights to assist it in marketing the unsold Units.</p> <p>(c) Financial Information. ¶ 11B requires the Buyer to submit financial information to Seller, if requested by Seller. Seller is also permitted to make credit inquiries.</p>
12 & 13	Closing	<p>(a) Association Reserve. ¶ 12B(2) provides for Buyer to post with the Association a reserve (e.g. 4 months' reserve).</p> <p>(b) Utilities. ¶ 12B(5) provides for Buyer to make all utility continuance arrangements.</p> <p>(3) Insurance. ¶ 13 provides for tax proration and for Buyer to reimburse Seller for any prepaid insurance paid by Seller on the Association's master policy.</p>
14	Casualty Loss	¶ 14 provides that in the event that the Project is damaged or destroyed prior to closing (fire, etc.), Seller may elect to terminate the Sales Contract or may elect to continue the contract for up to 90 days if the damage may be repaired within 90 days.
16	Dispute Resolution	¶ 16 provides for mediation and binding arbitration of disputes.
25A	No Oral Agreements	¶ 25A provides that there are no oral agreements or understandings and provides specific disclaimers (e.g., investment potential or resale potential, tax advice, and square footage).

25E	Performance	¶ 25E provides that time is of the essence.
26	Releases, Waivers, and Indemnities	¶ 26 contains various releases, waivers and indemnities not contained in the standard TREC form, including waiver by the Buyer of its rights to seek damages under the DTPA (Buyer can still seek recourse for misrepresentation), waiver by both parties of jury trial (dispute resolution is to be by arbitration not lawsuits), waiver of rights to punitive damages by either party, and a release and indemnity by the Buyer as to claims arising out of injuries due to Buyer or Buyer's invitees being on site prior to closing. The nature of these provisions requires that they be in conspicuous type and be worded in the manner they are worded.

Attachments to Sales Contract

The Sales Contract has attached to it the following Addenda (the CCIS can be a separate booklet due to its length).

Tab	Document Title	Comments
C2 C3	CCIS Buyer's Receipt	Three separate originals of the Buyer's Receipt for these documents need to be signed by Seller and Buyer prior to the time of execution of the Sales Contract.
C4-5	Addendum	This Addendum sets out Buyer's obligation to complete the Finish-Out in accordance with Specifications to be attached to the Addendum or later to be agreed to by the parties.
C6	TREC Form Information About Brokerage Services	If a real estate broker is involved, three separate originals of these documents need to be signed by Seller and Buyer at the time of execution of the Sales Contract.

B. Condominium Documents Package.

B1. Condominium Declaration. (Short Form)

**DECLARATION
OF
CONDOMINIUM REGIME
FOR**

_____ **OFFICE CONDOMINIUMS**

Prepared by:

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**DECLARATION
OF CONDOMINIUM REGIME FOR
_____ OFFICE CONDOMINIUMS**

**ARTICLE 1.
SUBMISSION; DEFINED TERMS**

1.1. Submission of Real Estate. _____ (the "**Declarant**"), owner in fee simple of the real estate described in **Section 2.2** below located in _____ County, Texas, hereby submits the real estate, together with all easements, rights and appurtenances thereto and the buildings and improvements erected or to be erected thereon (collectively, the "**Property**") to the provisions of Chapter 82 of the Property Code, known as the Texas Uniform Condominium Act (the "**Act**").

1.2 Defined Terms. Each capitalized term not otherwise defined in this Declaration or in the Plats and Plans shall have the meanings specified or used in the Act.

**ARTICLE 2.
NAMES; DESCRIPTION OF REAL ESTATE**

2.1 Names.

(a) **Condominium.** The name of the Condominium is the _____ Office Condominiums.

(b) **Association.** The name of the Association is the Oaks at _____ Office Condominium Owners' Association, Inc., a Texas non-profit corporation.

2.2 Real Estate. The Condominium is located in Travis County, Texas. The real estate of the Condominium is described as follows: _____.

**ARTICLE 3.
THE ASSOCIATION**

3.1 Authority. The business affairs of the Condominium shall be managed by the Association, acting through its Board. The Association shall be governed by its bylaws, as amended from time to time.

3.2 Powers.

(a) The Association shall have all of the powers, authority and duties permitted pursuant to the Act necessary and proper to manage the business and affairs of the Condominium.

(b) The Association may assign its future income, including its rights to receive Common Expense assessments, only by the affirmative vote of Unit Owners of Units to which at least 51% of the votes in the Association are allocated, at a meeting called for that purpose.

3.3 Declarant Control. The Declarant shall have all the powers reserved in Section 82.103(c) of the Act to appoint and remove officers and members of the Board.

**ARTICLE 4.
UNITS**

4.1 Number of Units. The number of Units in the Condominium is eight.

4.2 Identification of Units. The identification number of each Unit is shown on the Plats (hereafter defined) or Plans (hereafter defined) or both.

4.3 Unit Boundaries. The boundaries of each Unit are located as shown on the Plats and Plans. The walls, floors, and ceilings are designated as boundaries of a Unit.

**ARTICLE 4.
LIMITED COMMON ELEMENTS**

4.1 Limited Common Elements.

(a) A "**Limited Common Element**" means a portion of the Common Elements, designated in this Declaration, or on the Plats and Plans, or by the Act, for the exclusive use of one or more but fewer than all of the Units.

(b) The portions of the buildings described in **Exhibit A** attached hereto, in addition to the portions described in Sections 82.052(2) and 82.052(4) of the Act, are designated as Limited Common Elements.

4.2 Allocation of Reserved Limited Common Elements.

(a) Portions of the Common Elements are marked on the Plats and Plans as Common Elements which may be allocated as Limited Common Elements. These portions of the Common Elements include, without limitation, vehicle parking areas, portions of the buildings which may be used for storage purposes, and others.

(b) The Declarant reserves the right to allocate specified areas which constitute a part of these Common Elements as Limited Common Elements for the exclusive use of the owners of Units to which these specified areas shall become appurtenant. The Declarant may assign such Common Elements as Limited Common Element areas pursuant to the provisions of Section 82.058 of the Act (i) by making such an allocation in a recorded instrument or (ii) in the deed to the Unit to which such Limited Common Element area shall be appurtenant or (iii) by recording an appropriate amendment to this Declaration. Such allocations by the Declarant may be to Units owned by the Declarant. Subsequent to the Declarant Control Period, the right of allocation pursuant to this Section shall pass from the Declarant to the Board and the Declarant may not thereafter exercise any such right.

4.3 Allocation of Specified Common Elements. The Board may designate parts of the Common Elements from time to time for use by less than all of the Unit owners or by nonowners for specified periods of time or by only those persons paying fees or satisfying other reasonable conditions for use as may be established by the Board. Any such designation by the Board shall not be a sale or disposition of such portions of the Common Elements.

**ARTICLE 5.
ALLOCATED INTERESTS**

5.1 Allocated Interests. The undivided interest in the Common Elements, the Common Expense liability, and votes in the Association allocated to each Unit are set forth in **Exhibit B**.

5.2 Determination of Allocated Interests. The interests allocated to each Unit have been calculated as follows:

(a) with respect to the undivided interest in Common Elements, on the basis of the relative square footage of the Unit in comparison to the total square footage of all Units;

(b) with respect to the percentage of liability for Common Expenses, on the basis of the relative square footage of the Unit in comparison to the total square footage of all Units; and

(c) with respect to the number of votes in the Association, on the basis of the relative square footage of the Unit in comparison to the total square footage of all Units.

5.3 Future Units. In the event Declarant amends this Declaration to add additional Units, the undivided interests in the Common Elements, the Common Expense liability and votes in the

Association will be reallocated based upon the relative square footage of each Unit in comparison to the total square footage of all Units.

ARTICLE 5. ALLOCATED INTERESTS

5.1 Allocated Interests. The undivided interest in the Common Elements, the Common Expense liability, and votes in the Association allocated to each Unit are set forth in Exhibit B.

5.2 Determination of Allocated Interests. The interests allocated to each Unit have been calculated as follows:

(a) with respect to the undivided interest in Common Elements, on the basis of the relative square footage of the Unit in comparison to the total square footage of all Units;

(b) with respect to the percentage of liability for Common Expenses, on the basis of the relative square footage of the Unit in comparison to the total square footage of all Units; and

(c) with respect to the number of votes in the Association, on the basis of the relative square footage of the Unit in comparison to the total square footage of all Units.

5.3 Future Units. In the event Declarant amends this Declaration to add additional Units, the undivided interests in the Common Elements, the Common Expense liability and votes in the Association will be reallocated based upon the relative square footage of each Unit in comparison to the total square footage of all Units.

ARTICLE 6. RESTRICTIONS ON USE

Subject to the Special Declarant Rights reserved by the Declarant, all Units and the Common Elements shall be used for office purposes only. The Condominium is hereby restricted against residential use or residential purposes (as such terms are used in the Act).

ARTICLE 7. EASEMENTS AND LICENSES

All easements and other encumbrances to which the Condominium is presently subject are recited in Exhibit C. In addition, the Condominium may be subject to other easements, licenses or other encumbrances hereafter granted by the Declarant pursuant to Section 12.1 of this Declaration.

ARTICLE 8. AMENDMENT OF DECLARATION

Any amendment to this Declaration must be adopted in accordance with Section 82.067(a) of the Act.

ARTICLE 9. PLAT AND PLANS

Attached to this Declaration as Exhibit A is the plat of the Condominium (the "Plat") and the plans for the Condominium (the "Plans").

**ARTICLE 10.
RECONSTRUCTION AFTER LOSS**

In the event of a casualty to the Condominium, the Association shall rebuild or repair according to Section 82.111(i) of the Act.

**ARTICLE 11.
SPECIAL DECLARANT RIGHTS AND DEVELOPMENT RIGHTS**

11.1 Special Declarant Rights and Development Rights. The Declarant reserves the rights set forth below, including as further defined in Exhibit D attached hereto (collectively, the "**Special Declarant Rights and Development Rights**");

(a) Improvement Rights. the right to complete or make improvements indicated on the Plats and Plans ("**Improvement Rights**");

(b) Marketing Rights. the right to maintain sales offices, management offices, leasing offices, and models in Units or on the Common Elements ("**Marketing Rights**");

(c) Signage Rights. the right to maintain signs on the Condominium to advertise Units in the Condominium for sale ("**Signage Rights**");

(d) Power to Grant Easements. the right to use, and to permit others to use, easements through the Common Elements as may be reasonably necessary for the purpose of discharging the Declarant's obligations under the Act and this Declaration (the "**Power to Grant Easements**"); and

(e) Power to Remove Officers and Directors. the right to appoint or remove any officer of the Association or any director consistent with the Act (the "**Power to Remove Officers and Directors**").

11.2 Limitations on Special Declarant Rights. Unless sooner terminated by a recorded instrument signed by the Declarant, the Declarant's Power to Remove Officers and Directors is limited to the Declarant Control Period (as defined in Exhibit D attached hereto).

**ARTICLE 12.
INTEREST RATE**

12.1 Interest on Delinquent Assessments. In the event of default in the payment of any monetary obligation to the Association, an Owner shall be obligated to pay interest on the principal amount, from the due date, at a rate to be determined, from time to time, by the Board, not to exceed the maximum permitted by law.

12.2 Default Interest Rate. If the Board shall refuse or fail, from time to time, to determine a rate of interest, the rate of interest shall be 18% per annum.

**ARTICLE 12.
INTEREST RATE**

12.1 Interest on Delinquent Assessments. In the event of default in the payment of any monetary obligation to the Association, an Owner shall be obligated to pay interest on the principal amount, from the due date, at a rate to be determined, from time to time, by the Board, not to exceed the maximum permitted by law.

12.2 Default Interest Rate. If the Board shall refuse or fail, from time to time, to determine a rate of interest, the rate of interest shall be 18% per annum.

**ARTICLE 13.
MAINTENANCE, REPAIR AND REPLACEMENT**

13.1 Limited Common Elements. The owner of a Unit to which any doorstep, stoop, porch, balcony, patio, HVAC compressor and related pad, conduit and wiring or other fixture or improvement is allocated as a Limited Common Element shall be responsible for removal of snow, leaves and debris therefrom.

13.2 Expense Allocation. Any Common Expense associated with the maintenance, repair or replacement of a Limited Common Element shall be assessed equally against the Units to which the Limited Common Element is assigned.

The Declarant has executed this Declaration as of February 20, 2013.

DECLARANT:

[signature and notary]

EXHIBIT A**PLAT AND PLANS****EXHIBIT B
TABLE OF INTERESTS**

UNIT A-101	20.70%
UNIT B-101	9.52%
UNIT B-102	9.52%
UNIT C-101	22.18%
UNIT D-101	9.52%
UNIT D-102	9.52%
UNIT E-101	9.52%
UNIT E-102	9.52%
TOTAL	100.00 %

**EXHIBIT C
DESCRIPTION OF EASEMENTS AND OTHER ENCUMBRANCES****EXHIBIT D****SPECIAL DECLARANT RIGHTS AND DEVELOPMENT RIGHTS****1. Rights.**

(a) **Changes to Units.** Declarant reserves the exclusive right but not the duty to amend the Plat and Plan to vary the size, shape, physical layout, or location of any unsold Unit or Units. If Declarant makes any significant variances in Unit sizes, Declarant shall have a right and a duty to correspondingly adjust the percentages or fractions of ownership of the Common Elements of all Units. Declarant reserves the right to change, modify, or amend the vertical and horizontal description assigned to a Building, so long as Declarant is the owner of all Units constructed or contemplated to be constructed within the Building, which change, modification, or amendment may affect the size, appearance and/or mechanical, structural, and other components of the Building to which such vertical and/or horizontal description relates. In the event Declarant elects to change the vertical and/or horizontal description assigned to the Building, an Amendment to the recorded Declaration shall be filed in the Official Public Records, which Designation shall include a vertical and horizontal description of the Building actually constructed upon the Land, and shall automatically amend this Declaration for the purpose of defining and describing the Building.

Declarant reserves the right to change, modify, or amend the description assigned to any unsold Unit, so long as Declarant, or any assignee of Special Declarant Rights and Development Rights, is the owner of such Unit or Units, which change, modification, or amendment may affect the size, appearance, mechanical, structural, and other components of the Unit(s) to which such horizontal description relates. In the event Declarant elects to change the description assigned to a Unit or Units owned by Declarant, Declarant shall file an Amendment to the recorded Declaration in the Official Public Records. In conjunction with any change, modification or amendment to a description assigned to a Unit or Units, the Designation may also reallocate the interest in Common Elements and percentage interest allocation assigned to all or any Units within the Condominium.

Declarant hereby reserves the right to convert by an Amendment to the recorded Declaration a Unit into additional Units, so long as Declarant, or any assignee of Special Declarant Rights and Development Rights, is the Owner of such Unit. Furthermore, in the event Declarant elects to convert a Unit into additional Units, Declarant may also amend this Declaration to designate portions of the converted Unit into Limited Common Elements assigned to each or either Unit which results from such conversion, so long as Declarant, or any assignee of Special Declarant Rights and Development Rights, is the Owner of the converted Unit. No assurance is given as to the number of additional Units Declarant may elect to create from a conversion of such Units, the dispersion of the Units resulted from such conversion, or the size of such Units. In the event Declarant, or any assignee of Special Declarant Rights and Development Rights, elects to convert a Unit into additional Units as provided herein, Declarant, or any assignee of Special Declarant Rights and Development Rights, shall file an Amendment to the recorded Declaration in the Official Public Records. In the event an Amendment to the recorded Declaration is recorded which converts any Unit identified herein into additional Units, such Units resulting from the conversion shall be fully assessable on the date the Unit created from such conversion is sold to a third party other than Declarant.

Declarant has also reserved the right to combine by amendment Units located in a Building into a single Unit or into Units which differ from the configuration of the combined Units, so long as Declarant, or any assignee of the Special Declarant Rights and Development Rights, is the Owner of all the combined Units. In the event Declarant elects to combine Units located in a Building into a single Unit or into Units which differ from the configuration of the combined Units, Declarant may also amend this Declaration to designate portions of the combined Units into Limited Common Elements assigned to the Unit(s) which result from such combination, so long as Declarant, or any assignee of Special Declarant Rights and Development Rights, is the Owner of the all of the combined Units. No assurance is given as to the number of Units or configuration Declarant may elect to create from a combination of Units, the dispersion of the Units resulted from such combination, or the size of such Units. In the event Declarant elects to combine Units into a single Unit or into Units with configurations which differ from the original combined Units, Declarant shall file an Amendment to the Declaration in the Official Public Records.

(b) **Completion of Construction.** Declarant reserves the right to do what is reasonably necessary or advisable in connection with the completion of any work in the Condominium; and the right to construct and maintain the Common Elements and Units owned or controlled by Declarant, its successors or assigns, or its or their contractors or subcontractors, as may be reasonably necessary for the conduct of its or their business of completing any work and developing, selling, leasing, or managing of the Units in the Condominium.

(c) **Assessments.** Declarant reserves the assessment payments rights and duties as permitted §82.112(b) of the Texas Uniform Condominium Act ("**TUCA**").

(d) **Parking.** Declarant reserves the right to designate and assign portions of the General Common Elements as parking for the exclusive use of any Owner of a Unit. Any parking spaces not specifically designated by the Declarant for the exclusive use of an Owner of a Unit will be under the exclusive control and administration of the Association at such time as the Declarant no longer owns any Unit within the Condominium. The Board may thereafter assign parking spaces to any Owner or may use such parking spaces in a manner determined by the Board. Any designation and assignment of General Common Elements as parking will be memorialized by a written "**Assignment of Parking**" executed by an authorized representative of the Declarant (or Board if Declarant no longer owns any Units within the Condominium) which shall identify the parking space(s) and the Unit assigned thereto. The Assignment shall be made a part of the corporate records of the Association and may not be terminated or modified without the consent of the Declarant (or a majority of the Board if Declarant no longer owns any Units within the Condominium) and the Owner of the Unit to which such General Common Element parking was assigned.

2. Declarant Control Period. (a) Subject to Section 2(b), Declarant shall have the sole and absolute right to appoint and remove the officers and members of the Board until that date, which is 120

days after the conveyance of 75% of the Units to persons other than Declarant (the "**Declarant Control Period**"). (b) Notwithstanding Section 2(a), not later than the earlier to occur of 120th day after the conveyance of 50% of such Units or 3 years from the conveyance of the first Unit by Declarant, not less than one-third of the members of the Board must be elected by Unit Owners other than the Declarant. The foregoing right of the Declarant shall not be affected by any transfer of Special Declarant Rights and Development Rights created or reserved herein. After the expiration of the Declarant's Control Period, the Unit Owners shall elect the Board, which members, within 31 days thereafter, shall elect the officers of the Association.

3. Declarant's Mortgage. Any mortgage of the Declarant's interest in the Condominium shall be deemed to include the Special Declarant Rights and Development Rights; and any foreclosure sale pursuant to such mortgage shall automatically convey the Special Declarant Rights and Development Rights.

4. Assignment. The rights reserved by Declarant under this Declaration may be transferred as provided in §82.104 of TUCA. A conveyance by the Declarant shall not convey any Special Declarant Rights and Development Rights unless expressly so provided and unless the transferee also executes the conveyance instrument, as required by TUCA.

AFTER RECORDING RETURN TO:

B1. Condominium Declaration. (Long Form)

**DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
_____ OFFICE PARK, A CONDOMINIUM**

_____ St.
_____, Texas

Prepared By:

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**DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
_____ OFFICE PARK,
A CONDOMINIUM**

RECITALS

This is a Declaration of Covenants, Conditions, and Restrictions for _____ Office Park, a Condominium. The property initially subject to this Declaration is described in **Exhibit A**. The property initially consists of _____ non-residential condominium units, and no more, and various common area improvements, all of which are to be built. The undersigned Declarant is the owner of the property at the time of recordation of this Declaration. The property is locally known as the “_____ **Office Park.**”

The Declaration establishes a plan for individual ownership in fee simple of each condominium unit and an undivided interest in the common area and common facilities. Each owner shall have exclusive ownership of, possessory interest in, and responsibility for the area or space contained within such owner’s condominium unit, subject to the covenants, conditions, and restrictions contained in the Declaration.

The Declaration and the property subject to it shall be governed by the Texas Uniform Condominium Act, Chapter 82, Texas Property Code (“**TUCA**”). The terms, covenants, conditions, easements, restrictions, uses, limitations, and obligations in this Declaration shall be deemed to run with the land and shall be binding upon any person acquiring or owning an interest in the real property and improvements, their grantees, successors, heirs, executors administrators, devisees, and assigns.

ARTICLE I . Definitions and Terms.

Definitions of terms are contained in **Schedule 1.0** hereto.

ARTICLE II. Condominium Unit Designations and Descriptions.

2.1 Recordation of Plat. A reduced copy of the Map is in Exhibit B. The large original Map is contained in the Association’s records and is recorded in the Condominium Plat Records of _____ County, Texas. The Map contains:

(a) **Land Description.** The Map contains the legal description of the surface of the land described in **Exhibit A**.

(b) **The Improvement Locations.** The Map contains the linear measurements and location, with reference to the exterior boundaries of said land, of the Buildings and all other improvements constructed, or to be constructed, on said land. The Map contains the footprint of the Units and Buildings constructed, or to be constructed by the Declarant, showing the exterior boundaries and number of the Units, and any other data necessary for the identification of them, which information is depicted by plats of each floor of each Building showing the respective letters of the Buildings, the numbers of the floors and the numbers of the Units therein.

(c) **Limited Common Elements.** The Map contains the location of Limited Common Elements, including the Building Sites, and the identification of the Units to which the same relate. Declarant or the Board may amend the Map, from time to time, to ensure that the same conform with the actual location of any of the improvements and to establish, vacate, and relocate easements, access road easements, and on-site parking areas.

2.2 Designation of Units. The Project consists of 11 separately designated Units to be built. Each Unit is identified by a number on the Map. The remaining portion of the Project, referred to as the

Common Elements, shall be owned in common by the Owners. The Owners of each Unit shall own an undivided interest in said Common Elements, the percentage or fraction thereof attributable to each Unit being as shown on **Exhibit C**.

2.3 Limited Common Elements.

(a) **Areas of Exclusive Use.** Portions of the Common Elements are set aside and reserved for the exclusive use of the individual Owners, such areas being Limited Common Elements, and include the areas described in **Section 1.26** of **Schedule 1.0** attached hereto. Limited Common Elements are allocated and assigned by the Declarant to the respective Units, as indicated on the Map. Limited Common Elements for a Unit are (1) the enclosed courtyards, sidewalks, and driveways exclusively serving the Unit and (2) the air conditioning pad(s) exclusively serving the Unit. Such Limited Common Elements shall be used in connection with the particular Unit, to the exclusion of the use thereof by the other Owners, except by invitation.

(b) **Reallocation of General Common Elements to Limited Common Elements.** Common Elements will be allocated in Limited Common Elements to one or more Units from time to time, pursuant to the following provisions:

(1) **Delineation at Time of Construction.** At the time of submission of preliminary plans for a Building to the Architectural Control Committee, Owner shall submit a request for any requested reallocation of General Common Elements to Limited Common Elements for the Unit Owner's use as driveways, walkways, exclusive Unit Owner use, and the Building Envelope for the Unit, which shall be shown on a detailed drawing of the Unit and the area surrounding the Unit. Generally the Building Envelope will be an area located 10' outside of the Building Site (as it may be expanded pursuant to **Section 2.3(b)(2)** below), but such Building Envelope may be larger or smaller at the discretion of the Architectural Control Committee. Upon approval of the general location Limited Common Elements, including the Building Envelope, the Owner shall deliver to the Architectural Control Committee an amendment to this Declaration in form similar to the Boundary Designation attached as **Exhibit J** hereto, containing a revised Plat and Plan for the Unit with legally accurate description of the General Common Elements intended to be reallocated as Limited Common Elements for such Unit and for the Building Envelope. The Architectural Control Committee may condition its approval of any such amendment of the Unit Owner agreeing that any driveway or other facility may be jointly used by one or more Units. Upon approval of the amendment the Board shall cause to be executed and recorded a Boundary Designation at the cost of the Owner of the Unit proposing the amendment, and the areas and improvements located within the areas so designated as Limited Common Elements (other than the Unit itself) shall thereafter be deemed to be Limited Common Elements appurtenant to such Unit. The Limited Common Elements so allocated to the Unit shall be landscaped and maintained by the Owner of the applicable Unit in accordance with landscape plans approved by the Architectural Control Committee. Likewise, the improvements within the Limited Common Elements will be maintained in good repair and appearance in accordance with this Declaration, the Rules and Regulations and the Architectural Guidelines by the Owner of the Unit to which such areas are declared to be a Limited Common Element.

(2) **Expansion of Building Site.** As permitted in **Section 3.8**, the Architectural Guidelines provide for the possibility of the expansion of a Building Site and a reallocation of General Common Elements to Limited Common Elements of a Unit. Upon approval by the Architectural Control Committee (and, if required under the Architectural Guidelines, any adjacent Owners), the Owner requesting an extension of the Building Site shall submit to the Architectural Control Committee for its approval an amendment to this Declaration, containing a revised Plat and Plan with a legally accurate description of the General Common Elements intended to be reallocated as Limited Common Elements for the Building Site expansion. Upon approval of the amendment and revised Plat and Plan by the Architectural Control Committee, the Board shall cause to be executed and recorded the amendment, at the cost of the Owner of the Unit requesting the expansion, and the expansion of the Building Site shall thereafter be deemed to a Limited Common Element appurtenant to such Unit.

2.4 Regulation of Common Areas. Rules governing the use of such areas by Owners and by their guests and invitees shall be promulgated by the Declarant, or by the Board of Directors of the Association after the same has been elected. All Owners shall be furnished with a copy thereof at the direction of the Board. Each Owner shall be required to comply strictly with said rules and regulations and shall be responsible to the Association for compliance therewith by the members of their respective families, relatives, guests, invitees, tenants, and contractors, both minor and adult.

2.5 Inseparable Units. Each Unit and its corresponding pro-rata interest in and to the Common Elements appurtenant thereto shall be inseparable and may not be conveyed, leased, or encumbered separately, and shall at all times remain indivisible. Except for easements to utility companies, any attempted conveyance of an interest in the Common Elements shall be void unless it also conveys the Unit to which that interest is attached.

2.6 Descriptions. Every deed, lease, mortgage, trust deed, or other instrument may legally describe a Unit by its identifying Unit number, as shown on the Map, followed by the words “a condominium” and a reference to this recorded Declaration. Every such description shall be deemed good and sufficient for all purposes to convey, transfer, encumber, or otherwise affect the undivided interest in the Common Elements appurtenant to such Unit.

2.7 Encroachments. If any portion of the Common Elements encroaches upon a Unit or Units, a valid permanent easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. If any portion or portions of a Unit or Units encroach upon the Common Elements, a valid permanent easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist.

2.8 Taxes. The Association shall give written notice to the _____ County Appraisal District of the establishment of the Condominium Regime with respect to the Project, as is provided by law, so that each Unit and its percentage or fraction of undivided interest in the Common Elements shall be deemed a separate parcel and subject to separate assessment and taxation.

2.9 Reservation of Special Declarant Rights. The Declarant reserves the special rights set out in the **Schedule 2.9** Special Declarant Rights attached hereto, notwithstanding anything in the Declaration to the contrary (“**Special Declarant Rights**”).

ARTICLE III. Rights and Obligations of Ownership.

3.1 Ownership. A Unit will be a fee simple estate and may be held and owned by any person, firm, corporation, or other entity singularly, as joint tenants, as tenants in common, or in any real property tenancy relationship recognized under the laws of the State of Texas. Each Unit Owner is allocated an undivided interest in the Common Elements in accordance with **Exhibit C** and shall have a right to use easements and any Limited Common Elements in accordance with the Declaration. Each Owner shall have an unrestricted right of ingress and egress to the Owner’s Unit, subject to reasonable routes of such vehicular and pedestrian access.

3.2 No Partition. The Common Elements (both General and Limited) shall be owned in common by all of the Owners of the Units and shall remain undivided, and no Owner shall bring any action for partition or division of the Common Elements other than that as specifically provided in **Section**. Nothing in this Declaration shall be construed as limiting the right of partition of a Unit between the Owners thereof, but such partition shall not affect any other Unit.

3.3 Rights of Ownership. Each Owner (including unsold Units owned by Declarant) shall be entitled to exclusive ownership and possession of the Unit owned by such Owner. Each Owner may use the Common Elements in accordance with the purposes for which they are intended and without hindering or encroaching upon the lawful rights of the other Owners, subject to the rules and regulations

adopted from time to time by the Board for the purpose of facilitating such common use and enjoyment by all Owners.

3.4 Use and Occupancy Restrictions. Subject to restrictions in **Schedule 3.4:**

(a) **Non-Residential Purposes.** Subject to the other provisions of this Declaration, no part of the Project may be used for residential purposes as defined in TUCA.

(b) **Common Elements.** The Common Elements are intended for use for the purposes of affording vehicular and pedestrian movement within the Project; providing access to the Units; providing for the beautification of the Project; and providing privacy for the occupants thereof through landscaping and such other means as shall be deemed appropriate. No part of the Common Elements shall be obstructed or damaged so as to interfere with its intended use or for its maintenance and operations. No part of the Common Elements shall be used for general storage purposes, nor shall anything be done on the Common Elements in any manner which shall increase the rate for hazard and liability insurance covering said area and improvements situated thereon.

3.5 Mechanic's and Materialman's Liens. Subsequent to the completion of the improvements described on the Map, no labor performed or materials furnished and incorporated in a Unit, notwithstanding the consent or request of the Owners, its agent, contractor or subcontractor, shall be the basis for filing of a lien against the interest in the Common Elements owned by the other Owners. Each Owner shall indemnify and hold harmless each of the other Owners from and against all liability arising from the claim of any lien against the Unit of the other Owners or against their interest in the Common Elements for construction performed or for labor, materials, services, or other products incorporated in such Owner's Unit.

3.6 Right of Entry. In addition to the rights of access granted in §82.066 and §82.107 (d) of TUCA, an easement is hereby created over, through and across the Regime in favor of the Association for the purpose of providing access to each Unit and to abate any nuisance or any dangerous or unauthorized activity or condition being conducted or maintained within the Regime, to remedy any prohibited or unlawful activity which affects the welfare or health of other Owners, to enforce the provisions of this Declaration, the Bylaws or the Rules and Regulations. Declarant and the Association reserve the right, without the necessity or the joinder of any Owner or other person to grant, dedicate, reserve or otherwise create, at any time or from time to time, easements for utility purposes (including without limitation, gas, water, electricity, telephone, data transmission, HVAC) in favor of any Owner or other person. The Association also shall have the right to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair, or replacement of any of the Common Elements, or at any time for making emergency repairs therein necessary to prevent damage to the Common Elements or to another Unit or Units.

3.7 Owner Maintenance. An Owner shall maintain and keep in repair the Building and the improvements, grounds, and landscaping in the Limited Common Elements designated for such Unit. All fixtures and equipment, including, without limitation, the heating and air conditioning system, and water heater, installed for the Unit, shall be maintained and kept in repair by the Owner thereof. Without limitation on the generality of the foregoing, an Owner shall maintain and keep in good repair (and replace, if so required) the security system, the air conditioning compressor, fans, ductwork, heating unit and cooling coils, utilized in and for its Unit, as well as other fixtures appurtenant to such Unit which are situated within or installed into or on the Limited Common Element such as an air conditioning compressor, together with all pipes, wiring, ducts, and other equipment appurtenant thereto.

An Owner shall be obligated to repair and replace promptly any broken or cracked windows, doors, or glass forming a boundary of such Unit, subject to the Association's right to control the exterior finish and color of the doors. Notwithstanding anything to the contrary contained in this Section, an Owner when exercising its right and responsibility of repair, maintenance, replacement, or remodeling

shall never alter in any manner whatsoever, the exterior appearance of its Condominium Unit without obtaining the prior approval of the Architectural Control Committee.

3.8 Approval for Construction, Alteration, or Modification. No Owner shall construct a condominium Unit without the prior written approval of the plans therefor by the Architectural Control Committee (or if the approval is sought during the Declarant Control Period and Declarant has elected to act as the Architectural Control Committee, the Declarant in accordance with **Schedule 2.9**). No Owner shall construct, alter, modify, add to, or otherwise perform any work whatever in a Unit or upon any of the Common Elements, Limited or General, without the prior written approval of the plans therefor by the Architectural Control Committee. Owners shall follow and comply with the Architectural Guidelines as adopted by the Architectural Control Committee or Declarant. The initial Architectural Guidelines are attached hereto as **Exhibit I**.

Any proposed construction, alteration, or modification shall be in harmony with the external design and location of the surrounding structures and topography, and shall not be considered until submission to the Architectural Control Committee of complete plans and specifications showing the nature, kind, shape, size, materials, color, location, and any other information requested by the Architectural Control Committee for all proposed work. The Architectural Control Committee shall have the obligation to answer in writing within 30 days after receipt of notice of the proposed construction, alteration, or modification. Failure to so answer in writing within the stipulated time shall be deemed approval of the proposed construction, alteration, or modification.

During the Declarant Control Period, Declarant or the Architectural Control Committee, at Declarant's election, shall have the sole right to approve or reject any plans and specifications submitted by a Unit Owner for approval.

An Owner shall do no act nor any work that will impair the structural soundness or integrity of the Units, Buildings, or Common Elements or impair any easement or appurtenance.

3.9 Liability for Negligent Acts. If the need for maintenance or repair to any portion of the Project is caused through the willful or negligent act of an Owner, its tenants or invitees and is not covered or paid for by insurance either on such Owner's Unit or the Common Elements, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Unit is subject, pursuant to **Article IV**.

3.10 Subject to Declaration and Bylaws. The Owner of each Unit (including unsold Units owned by Declarant) and the Association shall comply strictly with the provisions of this Declaration, the Bylaws of the Association, and the decisions and resolutions of the Association adopted pursuant thereto, as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover damages or for injunctive relief, or both, maintainable by the Association on behalf of the Owners or, in proper cause, by an aggrieved Owner against another Owner or against the Association, including the right to judicially contest the decisions of the Board or the Association.

3.11 INDEMNITY. *Unit Owners and the Association indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director, officer, committee member, employee, servant or agent of the Association, the Architectural Control Committee, other Committee appointed by the Board, or the Board, against all claims and liabilities, including such person's negligence, in whole or in part, or strict liability and expenses including attorney's fees reasonably incurred by such person in connection with such action, suit or proceeding, if it is found and determined by the Board or a court that such person (a) acted in good faith and in a manner such person reasonably believed to be in, or not opposed to, the best interests of the Association, or (b) with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that*

such person did not act in good faith or in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Association, or, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful. The Board may purchase and maintain insurance on behalf of any person who is or was a director, officer, committee member, employee, servant or agent of the Association, the Architectural Control Committee, or the Board, against any liability asserted against such person or incurred by such person in any such capacity, or arising out of such person's status as such.

ARTICLE IV. Management and Administration.

4.1 Authority to Manage; Association Duty to Maintain. Except as otherwise provided in the Declaration, the affairs of the Project shall be managed and administered by the Association. The Association shall have all rights, powers and duties of, and shall constitute and be, the "**Association**," as that term is used in TUCA. The Association shall have the right, power, and obligation to provide for the maintenance, repair, replacement, and administration of the Project, including Common Elements, to the degree and in the manner as *provided* in this Declaration, the Bylaws, and the Rules and Regulations of the Association. However, the Association shall not be responsible for owner maintenance obligations outlined in **Section 3.7**. The business and affairs of the Association shall be managed by the Board, and the Association may enter into a management agreement upon the terms and conditions approved by the Board.

4.2 Board of Directors.

(a) Composition of Board. The Board shall consist of at least 3 persons. The election of Directors and determination of the number of directors shall be conducted at the annual meeting of members except as provided in **Section 4.2(d)**. Each member shall be entitled to cast his total number of votes, as calculated in the manner provided in **Section 4.5(b)** of this Declaration. No member shall cast for any one candidate more than the total number of votes that member has. The candidates receiving the highest number of votes up to the number of Vacancies shall be deemed elected. All votes shall be cast by written ballot. Members shall not vote cumulatively for the election of Directors.

(b) Voting by Board Members. The presence of a majority of Directors at a meeting of Directors shall constitute a quorum for the transaction of business. The action of a majority of the Directors present at a meeting at which there is a quorum shall be the act of the Board. A meeting of the Board shall be held each year promptly after the annual meeting of the members, at the place of such annual meeting of members, for the election of officers and the consideration of any other business that may properly be brought before such meeting. Regular meetings of the Board shall be held at such times and places as the Board shall determine.

(c) Length of Term. The members of the Board shall serve for a term of one year commencing at the time of their election, or until their death, resignation, removal, or until they are no longer members of the Association, whichever is earlier. Except for Directors appointed by Declarant pursuant to the rights of Declarant during the Declarant Control Period, any member of the Board may be removed from membership on the Board, with or without cause, by a Majority of Unit Owners at a quorum meeting of the Owners called to consider such action or at an annual meeting of the Members.

(d) Declarant Control Period. (1) Notwithstanding **Section 4.2(a) and (c)** preceding and **Section 4.5**, subject to **Section 4.2(d)(2)**, Declarant shall have the sole and absolute right to appoint and remove the officers and members of the Board until that date, which is 120 days after the conveyance of 75% of the Units to persons other than Declarant (the "**Declarant Control Period**"). (2) Notwithstanding **Section 4.2(d)(1)**, not later than the earlier to occur of 120th day after the conveyance of 50% of such Units or 3 years from the conveyance of the first Unit by Declarant, not less than one-third of the members of the Board must be elected by Unit Owners other than the Declarant. The foregoing right of the Declarant shall not be affected by any transfer of Special Declarant Rights created or reserved

herein. After the expiration of the Declarant's Control Period, the Unit Owners shall elect the Board, which members, within 31 days thereafter, shall elect the officers of the Association.

4.3 Certificate of Formation and Bylaws. The administration of this Condominium Project shall be governed by this Declaration, the Certificate of Formation of the Association, and the Bylaws of the Association, and the resolutions of and rules and regulations adopted by the Board. The initial Certificate of Formation of the Association and initial Bylaws of the Association are contained in **Exhibit D** and **Exhibit E**, respectively. Each of the foregoing documents may be amended or changed only in accordance with the amendment procedures contained in the respective documents. An Owner of a Unit, upon becoming an Owner, shall be a member of the Association and shall remain a member for the period of its ownership.

4.4 Administration and Enforcement of Declaration, Bylaws and Rules. The Association or any Owner may utilize any of the rights and remedies set forth below, for the enforcement of all restrictions, conditions, covenants, reservations, liens, bylaws, rules, charges, and liabilities imposed by the provisions of this Declaration, the Certificate of Formation, the Bylaws, or Rules. Failure of the Association or any Owner to enforce shall not be deemed a waiver of the right to do so thereafter.

(a) **Rules and Regulations.** The Board may adopt Rules and Regulations (which may be referred to as "**Community Policies**") for governing the use and maintenance of the property and obtaining compliance by Owners and their contractors, invitees and tenants with the Declaration and with Association Bylaws, and Rules and Regulations, provided that same are not prohibited by this Declaration or Texas law. The Rules and Regulations may address any subject relating to uses of Units, Common Areas, construction, repairs, parking, unsightly objects, relationships between Owners, invitees, tenants and/or the Association, enforcement, and other subjects reasonably affecting the Project. The rules must be consistent with and not in conflict with this Declaration. The initial Rules and Regulations are attached as **Exhibit H**.

(b) **Late Charges.** The Board may adopt late charges, from time to time, for late payment by the Owners of monies owed to the Association.

(c) **Returned Check Charges.** The Board may assess returned check charges against an Owner, as set by the Board from time to time, for each returned check, plus late charges, until acceptable payment is received.

(d) **Nonassessment Items First.** All monies received from an Owner may be applied first to nonassessment obligations of the Owner, such as fines, late charges, returned check charges, user fees, damages, etc., regardless of notations on checks and transmittal letters.

(e) **Suspension of Voting Rights and Use Rights.** The right to vote and the right to use Common Areas of any Owner who is more than 30 days delinquent on any sum owed to the Association may be suspended by the Board.

(f) **Fines.** The Board or the Association's manager may assess fines against an Owner for violations by the Owner or its invitees, contractors, or tenants of standards of conduct contained in the Declaration and the Association rules. Fines may also be assessed for violation of suspended common facility use rights. Each day of violation may be considered a separate violation if the violation continues after written notice to the Owners. There must be notice of the alleged infraction and fine to the Owner no later than 45 days from the alleged infraction.

(g) **Remedies Against Tenants.** The Board shall have authority to evict tenants of Owners, after reasonable notice, for substantial or repeated violations of Association Rules. The Board shall have authority to enforce all Rules against the Owner's tenants, including collection of fines for violations of the Declaration or Bylaws by the tenants.

(h) **Tenants May Pay.** If an Owner is delinquent in the payment of any sum due the Association for a period of 30 days or more, any tenant of the Owner occupying the Unit may pay any sums due to the Association by the Owner in order to avoid suspension of Common Area use rights; and the Tenant may deduct same from rent due to the Owner. The Association may enter into indemnity agreements to protect tenants who pay money to the Association under authority of this Section.

(i) **Leasing.** The Board may adopt reasonable requirements for leasing a Unit. For example, the Board may require (1) that tenant names, work phones, home phones, and emergency contact persons be registered with the Board or the Association's management company, or (2) that a particular lease form be used, provided that members are free to modify or amend such lease form as they deem proper.

The management company managing the Association does not have authority to act for the Association in leasing or managing individual units. A Unit Owner may contract with the same management company which manages the Association to lease or manage a Unit owned by the Owner. Additionally, in such case the Unit Owner shall inform the tenant that in leasing or managing the Owner's Unit, the management company is not acting on behalf of the Association.

(j) **Interest.** All sums due the Association by Owners shall bear interest from due date at the highest lawful rate, compounded annually.

(k) **Fees for Special Services.** Fees chargeable to Owners for special services (such its furnishing resale certificates, eligibility certificates, copies of declarations, copies of information sent to mortgagees, copies of accounting records, etc.) shall be set by the Board from time to time.

(l) **Parking Limitations.** Vehicle owners shall reimburse the Association for any costs incurred in towing vehicles illegally parked provided notice required in applicable statutes is complied with in accordance with applicable statutes regarding illegal parking. Owners shall be responsible for parking violations of their tenants.

(m) **Publication of Delinquencies.** The Board may disclose and publish to Association members and mortgagees the financial condition of the Association, including a list of names and amounts of any delinquencies. The Board may notify mortgage lenders and tenants of delinquent monies owed by such Owners to the Association. Mortgage lenders may notify the Board of any delinquencies in the payment of mortgages.

(n) **Name and Addresses of New Owners.** An Owner may not sell or convey its Unit without all monies due and owing to the Association being paid in full; and if such Owner does sell, convey, or transfer its Unit without paying such monies, such selling Owner shall remain liable for all monies accruing to the Association thereafter on such Unit until such monies are paid in full. If an Owner sells or transfers Ownership of its Unit and fails to notify the Association of the sale, the selling Owner shall continue to be liable for the assessments accruing on the Unit after the sale or transfer until such time as the selling or transferring Owner notifies the Association in writing of the name and address of the new Owner. The new Owner shall also be liable from the date of such new Owner's acquisition of title. The selling or transferring Owner shall have a right of indemnity against the new Owner for recovery of any such sums paid by the selling or transferring Owner under this Section.

(o) **Change of Addresses.** Owners shall keep the Association timely informed of their current addresses and any change of addresses.

(p) **Name and Addresses of Tenants.** Owners shall notify the Association of current names and addresses of tenants of their respective Units.

(q) **Lien of the Association.** The Association shall have a lien on an Owner's Unit, including any rentals and insurance proceeds relating to the Unit, to secure payment of all monies owed by the Owner to the Association. The lien and foreclosure of the lien is addressed further in **Section**.

(r) **Venue and Lawsuit Authority.** All obligations of owners, tenants, and the Association arising under this Declaration, the Bylaws, or Rules shall be performed in _____ County, Texas, and venue for any lawsuits relating thereto shall be in _____ County, Texas. The Association shall have the right to file and defend a suit (including injunctions) and recover on behalf of the Owners in any cause of action based on damages to the Common Areas or based on liabilities of Owners and their invitees, contractors, tenants, or third parties accruing to Owners and/or the Association.

(s) **Attorney's Fees.** If delinquent accounts or other violations are turned over to the Association's attorney, the Owner shall be liable for all attorney's fees incurred by the Association in collections, filing liens, foreclosing liens, releasing liens, prosecuting lawsuits, and/or otherwise enforcing the Declaration, Bylaws, and Rules and Regulations.

(t) **Association Entry.** The Association shall have the right to enter an Owner's Unit for purposes of (1) inspection, (2) prevention of damage to the Common Elements, (3) enforcement of the Declaration, and (4) protection of property rights and quiet enjoyment of other Owners. The Association may require Owners to furnish the Association with entry keys to their Units for such purposes.

(u) **Notices to Multiple Owners, Tenants, and Mortgagees.** Notice to or from one of multiple Owners or tenants of a Unit shall be deemed as notice to or from all Owners or tenants of that Unit. If Owner is more than 60 days delinquent, the Association may send to the Owner's tenant a copy of any Association notices or communications with the Owner. The Association shall give such notice upon written request of a first lien mortgage or insurer.

(v) **Assignment of Revenues.** The Association shall have the power to convey a security interest in its revenues to a lender for purposes of obtaining loans necessary for the operation and/or improvement of the Project. No such security interest may be given without being approved by a vote of the Board.

(w) **Other Powers.** The Association shall have all other powers necessary and proper for the government and operation of the Association, including but not limited to those powers contained in the Texas Uniform Condominium Act. Such powers include the right to grant permits, licenses, and easements over Common Elements for utilities, roads, and other purposes for the proper operation of the Property.

4.5 Membership and Voting.

(a) **Membership.** Membership in the Association shall be appurtenant to the legal, fee title to the Condominium Units of the Project, and upon the transfer of title to a Condominium Unit of the Project, the membership appurtenant thereto shall be deemed to be transferred to the grantee of such Condominium Unit, upon recordation of the deed or other conveyance thereof in the Official Records of _____ County, Texas.

No membership in the Association may be conveyed or transferred in any other manner. When the title to a Condominium Unit in the Project is owned by more than one person, firm, corporation, or other entity, the membership in the corporation appurtenant to such Condominium Unit shall be owned in the same manner and to the same extent as the Condominium Unit, with all the Owners of such Condominium Unit being collectively the member in the Association.

(b) **Voting.** Ownership of each Condominium Unit in the Project by a member entitles the Owner or Owners (collectively), including Declarant, thereof to one vote per Condominium Unit.

If a Condominium Unit is owned by more than one person, the Owners who own fractional interests in such Condominium Unit aggregating more than 50% of the whole ownership thereof shall appoint one member who shall be entitled to exercise the votes pertaining to that Condominium Unit at any meeting of the members 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 Owners of such Condominium Unit.

If a Condominium Unit is owned by more than one member claiming to be entitled to exercise the voting right attributable to that Condominium Unit, then none of such members shall be allowed to exercise the voting rights attributable to such Condominium Unit unless such members concur upon the manner in which such votes will be cast. Failure of such Owners to concur shall result in that Condominium Unit being excluded in all respects in determining whether a requisite number of votes has been cast with respect to the matter upon which such vote is being taken. All members of the Association may be present at any meeting of the members and may act at such meetings in person or by proxy (whether physically present or not). If at any time the Association shall hold legal title to one or more Condominium Units, the voting rights to which the Owner thereof otherwise would be entitled shall be exercised as directed by majority vote of the Owners in attendance at the meeting, in person or by proxy.

(c) **Completed and Uncompleted Units.** The membership and voting rights referred to above shall accrue to an Owner of a Unit, regardless whether the Unit has been constructed or completed.

4.6 Insurance.

(a) **Property Insurance.** The Association shall obtain insurance for the Regime as required by § 82.111 of TUCA. The Association may also obtain and maintain at all times insurance on the Project of the type and kind required by this Declaration, including such other risks, of a similar or dissimilar nature, as are or shall customarily be covered with respect to condominium projects, similar in construction, design and use, issued by responsible insurance companies authorized to do business in the State of Texas. The insurance shall be carried in blanket policy form naming the Association, the Owners and all mortgagees of Units (of whose lien interest the Association receives written notice) as the insureds. In addition, each policy shall identify the interest of Unit Owners and shall provide for a standard, noncontributory mortgage clause in favor of each First Lien Mortgagee. Further, the policy shall insure against loss or damage by fire, vandalism, malicious mischief and such other hazards as are covered under standard extended coverage provisions for the full insurable replacement cost of the Common Elements (excluding the Land), and against such other hazards and for such amounts as the Board may deem advisable. Flood insurance is not necessary because none of the Units or improvements are in a Special Flood Hazard Area or in the 100-year flood plain according to FEMA maps.

The Association may elect to obtain and maintain insurance covering the Units and Unit Owners. Each Owner irrevocably designates the Association, as attorney in fact, to administer and distribute property insurance proceeds applicable to the Owner's Unit, whether or not the property insurance is obtained or maintained by the Association or the Unit Owner. Such insurance policy shall also provide that it cannot be canceled or substantially modified by either the insured or the insurance company until after 10 days prior written notice to each First Lien Mortgagee. The Board of Directors shall, upon request of any First Lien Mortgagee, furnish a certified copy of each blanket policy and a separate certificate identifying the interest of the Mortgagee.

All policies of insurance shall provide that the insurance there under shall be invalidated or suspended only in respect to the interest of any particular Owner guilty of a breach of warranty, act,

omission, negligence or non-compliance of any provision of such policy, including payment of the insurance premium applicable to that Owner's interest, or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy, but the insurance under such policy, as to the interests of all other insured Owners not guilty of any act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

The Association, in order to preserve the integrity of the Project, shall be deemed to have an "insurable interest" in each Unit. Any insurance obtained by the Association or a Unit Owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against the Unit Owners, Association and their respective servants, agents or guests.

(b) **Liability Insurance.** The Association shall maintain a policy of commercial liability insurance and property damage insurance against claims for personal injury or death, or property damage suffered by the public, or any Owner or Occupant, family, agent, employee, or invitee of an Owner or Occupant, occurring in, or about the Limited or General Common Elements, which liability and property damage insurance shall afford protection to such limits and extent as the Association deems desirable. Such liability and property damage insurance policy shall also contain a cross-liability endorsement wherein the rights of a named insured under the policy or policies shall not prejudice his, her, or their action or actions against another named insured. Such insurance policy shall also provide that it cannot be canceled or substantially modified by either the insured or the insurance company until after 10 days prior written notice to each First Lien Mortgagee, to the extent allowed by law. This liability coverage does not insure the individual Unit Owner for liability or damages arising out of the use of its individual Unit as distinguished from the Common Elements of the Project.

(c) **Fidelity Bond.** The Association shall maintain or cause to be maintained an adequate blanket fidelity bond covering all persons handling or responsible for funds of or administered by the Association and that such bond shall be of a kind and in an amount the Association deems necessary for the protection of the Owners.

(d) **Condominium Unit Owners' Insurance.** The insurance obtained pursuant to **Section 4.6(a)** does not insure the personal property of Unit Owners, and unless the Association elects to insure Buildings does not insure Units, and each such Unit Owner may, at the Owner's option and expense, obtain such other insurance as the Owner deems necessary to insure such property. In addition, the insurance obtained pursuant to **Section 4.6(a)** might not insure the Units or any fixtures, installations or additions composing a part of the Buildings. An Owner of a Unit may obtain at its cost and expense such additional insurance as may be necessary to insure its Unit and the fixtures and improvements therein.

4.7 Accounting; Audit; Inspection of Records. The Board shall keep or cause to be kept books of detailed account of the receipts and expenditures affecting the Project and its administration and specifying the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Project or the Association. Both the books of accounts and all vouchers supporting the entries made therein shall be available for examination at the office of the Association by all Owners at convenient hours on working days and the Board shall cause to be established and announced for general knowledge the days and hours within which such books shall be available for inspection. All such books and records shall be kept in accordance with generally accepted accounting principles, consistently applied, and shall be audited at least once a year by an outside auditor selected by the Board unless directed otherwise by the Association at the annual membership meeting. The fiscal year of the Association shall be the calendar year unless another period is established by resolution of the Board.

At all times, the Association shall have and maintain current copies of the declaration, Certificate of Formation, bylaws, and Association rules, along with books, records, and financial statements,

available for inspection by Unit Owners or by holders, insurers, or guarantors of first mortgages that are secured by units in the project, during normal business hours.

The Association shall make an audited statement for the preceding fiscal year available to the holder, insurer, or guarantor of any first mortgage that is secured by a unit in the project on submission of a written request for it. The audited financial statement shall be available within 120 days of the Association's fiscal year-end.

4.8 Architectural Control Committee. The Board or a Committee appointed by the Board shall serve as the Architectural Control Committee for the Association, approving or disapproving construction, alteration, and modifications pursuant to **Section 3.8**. The Board can dissolve the committee it has appointed and substitute itself as the Architectural Control Committee. The Board can overrule, supersede or amend any decision made by the Architectural Control Committee it has appointed. The Architectural Control Committee may from time to time designate Advisory Members.

(a) Action by Architectural Committee. Items presented to the Architectural Control Committee shall be decided by a majority vote of its members. The Architectural Control Committee may hire consultants, including engineers and architects, and contractors to assist it in its duties hereunder. The Architectural Control Committee may establish reasonable fees and charges payable by Owners to the Association seeking approvals or variances from the Architectural Control Committee, including requiring reimbursement for all reasonable costs incurred in reviewing and processing such requests.

(b) Term. Each member of the Architectural Control Committee shall hold office until such time as he has resigned or has been removed or his successor has been appointed, or if the Board is acting as the Architectural Control Committee, for such term as the member is a Director. In the event of death or resignation of any member of the Architectural Control Committee, the remaining members shall have full authority to act until a replacement member has been designated.

(c) Adoption of Rules and Guidelines. The Architectural Control Committee may adopt such procedural and substantive rules and guidelines ("**Architectural Guidelines**"), not in conflict with this Declaration, as it may deem necessary or proper for the performance of its duties, including but not limited to, a building code, a fire code, and other similar codes as it may deem necessary and desirable. Each Owner shall comply with said rules and guidelines as the same may be amended from time to time. Absent a material change in circumstances or if an alteration or reconstruction of a previously approved improvement is being undertaken, once plans and specifications are approved by the Architectural Control Committee for a particular construction project, the Owner who has received such approval is not required to obtain a further approval for such construction if the rules and guidelines change subsequent to the original approval ("**grandfathered improvements**").

(d) Review of Proposed Construction. Whenever in this Declaration the approval of the Architectural Control Committee is required, it shall have the right to consider all of the plans and specifications for the improvement or proposal in question and all other facts which are relevant. Except as otherwise specifically provided herein, prior to the commencement of any construction of any improvement on the Property or any portion thereof, three complete sets of the final plans and specifications therefor shall be submitted to the Architectural Control Committee, and construction thereof may not commence unless and until the Architectural Control Committee has approved such plans and specifications in writing. The Architectural Control Committee shall consider and act upon any and all plans and specifications submitted for its approval pursuant to this Declaration, and perform such other duties assigned to it by this Declaration or as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with plans and specifications approved by the Architectural Control Committee. The Architectural Control Committee may review plans and specifications submitted for its review and such other information as it deems proper. Until receipt by the Architectural Control Committee of any information or documents deemed necessary by the Architectural Control Committee, it may postpone review of any plans and specifications

submitted for approval. No improvement shall be allowed on any Building Site which is of such size or architectural design or involves the use of such landscaping, color schemes, exterior finishes, and materials and similar features as to be incompatible with development within the Property and the surrounding area. The Architectural Control Committee shall have the authority to disapprove any proposed improvement based upon the restrictions set forth in the preceding sentence and the decision of the Architectural Control Committee shall be final and binding so long as it is made in good faith. The Architectural Control Committee shall not be responsible for reviewing any proposed improvement, nor shall its approval of any Plans or Specifications be deemed approval thereof from the standpoint of structural safety, engineering soundness, or conformance with building or other codes. The Architectural Control Committee is authorized to request the submission of samples of proposed construction materials. At the option of the Architectural Control Committee, one complete set of the plans and specifications will be retained by the Architectural Control Committee, and one complete set of plans and specifications will be marked "*Approved*" and returned to the Owner or its designated representative. If found not to be in compliance with the rules and guidelines or this Declaration, the Bylaws, Rules and Regulations or resolutions adopted by the Board, one set of such plans and specifications shall be marked "*Disapproved*," accompanied by a reasonable statement of items found not to comply with any such matter.

Any party requesting approval of a set of plans and specifications for use with a particular Building Site shall submit a site plan showing the position of all improvements on the Project and a tree survey as a part of those plans and specifications. The party submitting such plans shall be required to point out to the Architectural Control Committee, and the Architectural Control Committee shall have the right to review and approve, any material changes to or deviations from any previously approved set of plans and specifications. The Architectural Control Committee shall have the right to prevent the construction of any improvements which have, in the Architectural Control Committee's sole opinion, material changes to or deviations from any previously approved set of plans and specifications.

(e) **Actions of the Architectural Control Committee.** The Architectural Control Committee may, by written resolution, unanimously adopted in writing, designate one or two of its members or an agent acting on its behalf to take any action or perform any duties for and on behalf of the Architectural Control Committee. In the absence of such designation, the vote of the majority of all of the members of the Architectural Control Committee taken without a meeting, documented in accordance with of the Texas Non-Profit Corporation Act, shall constitute an act of the Architectural Control Committee. Notwithstanding anything to the contrary, in the event the Architectural Control Committee fails to respond to a request for approval of plans and specifications within 45 days of receipt of all required information, the Architectural Control Committee shall be deemed to have approved such plans and specifications. The Architectural Control Committee shall have the authority to require any Owner or Owner's agents or contractors to cease and desist in constructing or altering any improvements, where such actions have not first been reviewed and approved or otherwise constitute a violation of the Restrictions. The violating Owner shall remove such violating improvements or site work at its sole expense and without delay, returning same to its original condition or bring the property into compliance with the Restrictions and any plans and specifications approved by the Architectural Control Committee. If an Owner proceeds with construction that is not approved by the Architectural Control Committee, or that is a variance of the approved plans and specifications, the Association may assess reasonable fines and may continue to assess such fines until Architectural Control Committee approval is granted or the violation is removed.

(f) **No Waiver of Future Approvals.** The approval or consent of the Architectural Control Committee to any Plans or Specifications for any work done or proposed or in connection with any other matter requiring the approval or consent of the Architectural Control Committee shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any plans and specifications, or other matter whatever, subsequently or additionally submitted for approval or consent by the same or a different person.

(g) **Variances**. The Architectural Control Committee may grant variances when, in the opinion of the Architectural Control Committee, in its sole and absolute discretion, such variance will not impair or detract from the quality of the development of the Property, and such variance is justified due to unusual or aesthetic considerations or unusual circumstances. All variances must be evidenced by a written instrument, in recordable form, and must be signed by at least two of the voting members of the Architectural Control Committee. If a variance is granted, no violation of the covenants, conditions, or restrictions contained in this Declaration or any Supplemental Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such variance shall not operate to waive or amend any of the terms and provisions of these covenants and restrictions applicable to the Building Site for any purpose except as to the particular property and in a particular instance covered by the variance, and such variance shall not be considered to establish a precedent or future waiver, modification or amendment of the terms and provisions hereof.

(h) **No Implied Waiver or Estoppel**. No action or failure to act by the Architectural Control Committee or by the Board shall constitute a waiver or estoppel with respect to future action by the Architectural Control Committee or Board of Directors with respect to the construction of any improvements within the Regime. Specifically, the approval by the Architectural Control Committee or the Board of any such construction shall not be deemed a waiver of any right or an estoppel to withhold approval or consent for any similar construction or any similar proposals, plans, specifications, or other materials submitted with respect to any other residential construction by such person or other Owner.

(i) **Non-liability**. Neither the Architectural Control Committee nor any member thereof, nor the Board, nor any member thereof, shall be liable to the Association or to any Owner or to any other person or entity for any loss, damage or injury arising out of or in any way connected with the performance of the Architectural Control Committee's or the Board's respective duties under this Declaration, unless due to the willful misconduct or bad faith of such person. Neither the Architectural Control Committee nor any member thereof shall be liable to any Owner due to the construction of any improvement within the Project.

(j) **Work in Progress**. The Architectural Control Committee, at its option, may inspect all work in progress to insure compliance with approved plans and specifications.

(k) **Certificate of Compliance**. Upon completion of any improvement approved by the Architectural Control Committee and upon written request by the Owner of the Unit, the Architectural Control Committee or the Board acting through one of its officers may issue a compliance certificate ("**Compliance Certificate**") in a form suitable for recordation. The Compliance Certificate may identify the Unit and the improvements, the use or uses to be conducted thereon, and the plans and specifications on file with the Architectural Control Committee pursuant to which the improvements were made and shall specify that the improvements comply with the approved plans and specifications. The Compliance Certificate shall not be construed to certify the acceptability, sufficiency, or approval by the Architectural Control Committee or the Association of the actual construction of the improvements or the workmanship or materials thereof. The Owner is hereby notified that the Compliance Certificate in no way warrants, except as set forth above, the sufficiency, acceptability, or approval by the Architectural Control Committee of the construction, workmanship, materials, or equipment of the improvements. Preparation and recordation of such a Compliance Certificate shall be at the expense of the Owner of the improved Unit. The Architectural Control Committee, and its agents and employees, shall not be responsible for inspecting any proposed improvement, nor shall its approval of any plans or specifications be deemed approval of any improvement as to structural safety, engineering soundness or conformance with any building or other codes, regardless of the hiring by the Architectural Control Committee of any consultants to assist it in its duties hereunder.

4.9 Security Policies. Neither Declarant nor the Association promises, warrants, or guaranties the safety or security of Owners, occupants, tenants, invitees, guests, or their agents or contractors or their personal property against the criminal actions of others. Each Owner and other person in the Project has the responsibility to protect himself or herself and to maintain insurance to

protect his or her belongings. Owners and tenants should contact an insurance agent to arrange appropriate fire and theft insurance on their personal property.

No security system, patrol, access gate, or electronic security device can provide protection against crime at every location at every moment of the day or night. Even elaborate security systems are subject to mechanical malfunction, tampering, human error or personnel absenteeism, and can be defeated or avoided by clever criminals. Therefore, Owners and all other persons in the Project should not rely on such systems and should always protect themselves and their property as if no security systems exist. Owners and all other persons in the Project should make no other assumptions regarding security.

If security systems, security devices, access gates, or walk-through/drive-through services are utilized in the Project, no representation is made by Declarant or the Association that such systems, devices, or services will prevent injury, theft or vandalism. Any companies or individuals walking or driving in the community on behalf of Owner may not carry weapons and have no greater authority under the law to restrain or arrest criminals or to prevent crime than the ordinary citizen. Neither Declarant nor the Association promises, warrants, or guarantees that any such systems, devices, or services do in fact discourage or prevent breaches of security, intrusions, thefts, or incidents of violent crime. Declarant and the Association reserve the right to reduce, modify or eliminate any security system, security devices, or services at any time; and such action shall not be a breach of any obligation or warranty on the part of Declarant or the Association.

If controlled access gates or intrusion alarms are provided, Owners will be furnished written operating instructions; and it is the responsibility of Owners and their tenants to read them and bring any questions to the attention of the Association or its management company. Further, it is the responsibility of Owners and their tenants to promptly notify the Association in writing of any known problem, defect, malfunction or failure of door locks, window latches, lighting, controlled-access gates, intrusion alarms, and other security-related devices in the Common Area. Each Owner and tenant must report to the Association any crime that he or she is aware of and that occurs in the Owner's Unit or in Common Areas near the Owner's Unit. If an Owner's Unit is equipped with an intrusion alarm, the Owner is responsible for all fines and other charges resulting from or attributable to the alarm, including false-alarm charges -- even if caused by the Owner's tenant, invitees, or contractors. The Association has the right to enter a Unit for purposes of cutting off a security system in which the intrusion alarm is disturbing other Owners or their tenants.

Protecting Owners, their tenants, and invitees from crime is the sole responsibility of the respective Owners and law enforcement agencies. Owners, tenants, and other occupants should promptly report to the Association or the Association's management company in writing any Common Area locks, latches, lighting, overgrown shrubbery, fences, gates, intrusion alarm, and other security-related devices that they believe are in need of repair or improvement.

Declarant and the Association expressly disclaim any duties of security.

ARTICLE V. Maintenance Assessments.

5.1 Assessments for Common Expenses.

(a) Periodic Billing. All Owners shall be obligated to pay the estimated Common Assessments imposed by the Association to meet the Common Expenses. The obligation to pay Assessments hereunder is part of the purchase price of each Unit when sold to an Owner. An express lien on each Unit is hereby granted and conveyed by Declarant to the Association to secure the payment thereof in each such instance, each such lien to be superior and paramount to any homestead or other exemption provided by law. Common Assessments for the estimated Common Expenses shall be due monthly in advance on or before the first day of each calendar month or at such other time as may be established by the Board. By resolution of the Board, the frequency of collection of Common

Assessments may be altered to another frequency. If an Owner fails to pay the Common Assessment applicable to its Condominium Unit by the 15th day after such assessment is due, the Board shall have the right to impose and assess a late charge in such amount (not to exceed any applicable usury limit) as may be established by the Board from time to time. Assessments for the respective Units shall commence on the date each Unit is sold by Declarant.

(b) **Reserve Fund.** On the date that a Unit is initially purchased from Declarant, the first Owner of such Unit shall make a contribution to the reserve fund of the Association and shall pay Common Assessments equal to four months' regular assessments. See also **Section 7.5.**

5.2 Purpose of Assessments. The Common Assessments levied by the Association shall be used **exclusively** for the purposes of promoting the health, safety, and welfare, of the Owners of the Units, and in particular for the improvement, maintenance, operation, administration and preservation of the Project.

5.3 Determination of Assessments. The assessments to be paid by all of the Owners, including Declarant, shall be determined by the Board of Directors based upon the cash requirements necessary to provide for the payment of all Common Expenses. Examples of expenses that will be taken into account in making this determination include, among other items, taxes, governmental assessments, landscaping and grounds care, common area lighting, repairs and renovation, garbage collections, wages, water charges, legal and accounting fees, insurance, management costs and fees, expenses and liabilities incurred by the Association or managing agent under or by reason of this Declaration, expenses incurred in the operation and maintenance of facilities, payment of any deficit remaining from a previous period and the creation of reserve funds. Owners having exclusive use of Limited Common Elements shall not be subject to any special charges or assessments for the repair or maintenance thereof except as otherwise provided in this Declaration. The omission or failure of the Board to fix the assessment for any period shall not be deemed a waiver, modification, or release of the Owners from the obligation to pay Common Assessments.

5.4 Utilities. Each Owner shall pay for its own utilities which are separately metered and billed to each Unit Owner by the respective utility companies. Utility expenses which are not separately metered and billed shall be part of the Common Expenses and each Unit Owner shall pay its pro rata share thereof as in the case of other Common Expenses.

5.5 Owner Obligations for Assessments and Mid-Year Alterations of Assessments.

(a) **Allocated Interest.** All Owners shall be personally obligated to pay the Common Assessments imposed with respect to its Unit by the Association to meet the Common Expenses. The Common Assessments shall be imposed based upon each Owner's proportionate or percentage interest in and to the Common Elements as reflected in **Exhibit C.**

(b) **Updating.** If the Board determines at any time during the calendar year that an increase or decrease in the amount of the Common Assessment is required to adequately perform the duties and responsibilities of the Association and pay all expenses thereof, then the Board may revise the amount of the Common Assessment for the remainder of such year. The new Common Assessment shall remain in effect until its new amount is established either under this **Section 5.6** or under **Section 5.7.**

5.6 Special Assessments for Improvements. In addition to the regular Common Assessments authorized by this Declaration, the Board of Directors may levy in any calendar year a special Common Assessment or Assessments for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction or unexpected major repair or replacement of a capital improvement constituting or to constitute part of the Common Elements. Such special assessment may be for the necessary fixtures and personal property related thereto, or for the purchase of any movable or personal

property for the common use of all the Owners, or for such other purpose or purposes as the Declarant or the Board of Directors may consider appropriate and for the common benefit of all of the Owners.

Such special assessment shall be imposed upon the Owners in proportion to the respective ownership interests in the Common Elements as set out in **Exhibit C**.

5.7 Commencement of Assessments. Common Assessments shall be due on the first day of each calendar month. The Board shall fix the amount of the Common Assessments applicable to the units at least 30 days prior to January 1st of each year. The Board may change the assessments to quarterly rather than monthly.

5.8 No Exemption. No Owner may exempt himself from liability for its contribution towards the Common Expenses by waiver of the use or enjoyment of any of the General or Limited Common Elements or by abandonment of its Unit.

5.9 Lien for Assessments.

(a) **Priority.** All sums due and unpaid by a Unit Owner shall be secured by an express contractual lien (which is hereby created, granted and reserved) on such Unit and any insurance proceeds and rents relating to such Unit, which lien shall be superior and prior to all other liens and encumbrances, except only for:

(1) **Taxes.** Assessments, liens and charges in favor of the State of Texas or a political subdivision thereof for taxes on the Unit; and

(2) **First Lien Mortgage.** All liens securing sums due or to become due under any duly recorded and valid First Lien Mortgage. Sale or transfer of any Unit pursuant to a foreclosure or a deed in lieu of foreclosure of a First Lien Mortgage shall not extinguish the Association's contractual lien on amounts becoming due and after such foreclosure. No such foreclosure shall relieve such Unit, or the Owners thereof, from liability for monies owed by the Owner to the Association.

(b) **Foreclosure.** To evidence the amounts from time to time secured by such contractual lien the Board of Directors may, but shall not be required to, prepare written notice setting forth the amount of such unpaid indebtedness, the name of the Owner of the Unit and a description of the Unit. Such notice shall be signed by one of the members of the Board of Directors or the Association's attorney and may be recorded in the Office of the County Clerk of _____ County, Texas. Such contractual liens may be enforced by the Association through judicial foreclosure or nonjudicial foreclosure on the defaulting Owner's Unit. Any such foreclosure sale is to be conducted in accordance with the provisions applicable to the exercise of powers of sale in mortgages and deeds of trust, as set forth in the Texas Property Code, or in any other manner permitted by law. Each Owner, by accepting a deed to its Unit, shall be deemed to have expressly granted to the Association a power of sale upon its Unit to secure payment or the Common Assessments thereafter imposed upon the Owner. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceedings, the costs and expenses for filing the notice or claim of lien and all reasonable attorney's fees. The Association shall have the right to bid on the Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey same, if it is the highest bidder at such foreclosure sale. Without other formality than executing an instrument in writing, the Association shall have the right to appoint a successor or substitute trustee to exercise the power of sale.

(c) **Suit.** Suit, to recover a money judgment against the Owner for unpaid sums shall be maintainable without foreclosing or waiving said lien securing same.

(d) **Subrogation.** Any lienholder on a Unit may pay any unpaid sums due with respect to such Unit, and upon such payment, the lienholder shall have a lien on such Unit for the amount paid of the same rank as the lien of his encumbrance.

(e) **Continuation of Lien.** A lien for any Assessment will not be affected by the sale or transfer of the Unit, unless a foreclosure of a First Lien Mortgage is involved, in which case the foreclosure will extinguish the lien for any assessments that were payable before the foreclosure sale, but will not relieve any subsequent Unit Owner from paying further assessments.

5.10 Subordination of the Lien to First Lien Mortgages. The contractual lien securing monies owed to the Association shall be subordinate to the lien of any First Lien Mortgage created by the Owner on its Unit to the extent same is recorded with the Clerk of _____ County, Texas prior to the due date of the amount(s) owed to the Association. The Association shall have the power to subordinate the aforesaid Assessment lien to any other lien. Such power shall be entirely discretionary with the Board and such subordination must be signed by a duly authorized officer of the Association.

5.11 Statement of Assessments. Upon payment to the Association of a reasonable fee calculated to reimburse the Association for the cost of providing same, and upon the written request of any Owner or any lienholder, or prospective purchaser or lienholder of a Unit, the Association, by its Board of Directors or the Managing Agent, shall issue a written statement (a "**Resale Certificate**") setting forth the unpaid Common Assessments and other sums due, if any, with respect to the subject Unit, the amount of the current Common Assessments, and other sums due, the date the next of such Common Assessments, and other sums become due and payable, which shall be conclusive upon the Association in favor of the addressee of such statement.

5.12 Payment of Assessments by Declarant. As provided in Section 82.112 of TUCA, from the date of the conveyance of the first Unit by Declarant until the end of three years or the end of the Declarant Control Period, whichever is sooner, the Declarant shall periodically pay to the Association an amount equal to all operation expenses of the Association, less the operational expense portion of the assessments paid by Unit Owners other than Declarant. In other words, the Declarant shall pay for any operations expense shortfall during the Declarant Control Period, and monthly assessments for unsold Units owned by the Declarant shall be zero dollars during that time period. Notwithstanding the foregoing, Declarant shall always contribute, on a monthly basis for each of Declarant's unsold Units, an amount attributable to that Unit's pro rata share of replacement reserves as set forth in the annual operating Budget.

5.13 Personal Liability for Assessments. Assessments and other sums due shall be the personal obligation of the Owner of the Unit at the time the sum accrued. Subsequent Owners shall not be personally liable but their Units shall nonetheless be subject to a lien for payment of same as set forth in **Section**. Successor Unit Owners may agree to assume such liability, however.

ARTICLE VI. Destruction or Obsolescence of Improvements.

6.1 Destruction or Obsolescence. The Association shall be and each Unit Owner hereby irrevocably appoints the Association as attorney-in-fact to represent the Unit Owner in (1) negotiations, settlement, and litigation involving any insurance claims under any insurance policies purchased by the Association, (2) condemnation proceedings for Common Elements, and (3) litigation involving Common Elements. If the Regime is damaged by fire or any other disaster, the insurance proceeds shall be held and disbursed pursuant to §82.111 of TUCA.

6.2 Judicial Partition. There shall be no judicial partition of the Common Elements, nor shall Declarant or any person acquiring any interest in the Project or any part thereof seek any such judicial partition, until the happening of the conditions set forth in **Section 6.1** in the case of damage or destruction or unless the Condominium Regime has been terminated.

6.3 Condemnation. If all or part of the Project is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Association and each Owner shall be entitled to participate in proceedings incident thereto. The Association shall

give timely written notice of the existence of such proceedings to all Owners and to all First Lien Mortgagees known to the Association to have an interest in any Unit. The expense of participation in such proceedings by the Association shall be a Common Expense.

The Association is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Association in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for such taking shall be deposited with the Association and such damages or awards shall be applied as provided below. If an action in eminent domain is brought to condemn a portion of the Common Elements, the Association in addition to the general powers set out in this Declaration, shall have the sole authority to determine whether to defend or resist any such proceeding, to make any settlement with respect thereto; or to convey the Property to be condemned to the condemning authority in lieu of such condemnation proceedings. With respect to any such taking of the Common Elements, all damages and awards shall be paid to the account of each Owner proportionately in accordance with such Owner's interest in the Common Elements.

The Association, if it deems advisable, may 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 Elements so taken or damaged. If it is determined that such Common Elements should be replaced or restored by obtaining other land or building additional structures, this Declaration and the Map shall be duly amended by instrument executed by the Association on behalf of the Owners.

ARTICLE VII. Protection of Mortgagees.

7.1 Mortgage Priorities. Any Owner shall have the right from time to time to mortgage or encumber its Unit by deed of trust, mortgage or other security instrument.

7.2 Notice to Association. Upon request by the Association, an Owner who mortgages its Unit shall notify the Association, giving the name and address of its mortgagee. Each mortgagee may notify the Association of the fact that such mortgagee holds a deed of trust or mortgage on a Unit. The Board shall maintain such information in its records.

7.3 Notice of Default; Lapse in Insurance. The Association shall notify a mortgagee of a Unit in writing, upon written request of such mortgagee, which also provides the Association with its name and address and the number of the Unit on which it holds its lien, of any default by the Owner of such Unit in performing such Owner's obligations, as set forth in the Declaration, which are not cured within 30 days after written notice to do so has been given. The Association, upon written request, shall notify a First Lien Mortgagee of any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.

7.4 Examination of Books. Upon request, the Association shall permit a Unit Owner and its mortgagees to examine current copies of the Declaration, Bylaws, other Rules concerning the Project, and the books and records of the Association during normal business hours.

7.5 Reserve Fund. The Association shall establish adequate reserve funds for replacement of Common Elements. The purpose of the fund is to pay for unforeseen expenditures, or to acquire additional equipment for services deemed necessary or desirable by the Board. The initial reserve fund shall be established by collecting at the time of sale of each Unit by Declarant the sum of at least two months' of estimated common charges for such Unit or at the time control of the Property is transferred to the Unit Owners by the Declarant, whichever is earlier. Any amounts paid into this fund are not to be considered as advance payments of regular assessments. The reserve fund shall be held in the name of the Association at all times, in a segregated fund under the control of the Association. The reserve fund may not be used by the Declarant to defray any of Declarant's expenses, reserve contributions, or construction costs or to make up budget deficits while Declarant is in control of the Association. When

unsold Units are sold by Declarant, the Declarant shall be reimbursed from the reserve fund for any of such Unit's reserve fund earlier contributed to the reserve fund by the Declarant.

7.6 Annual Audits. Upon written request the Association shall furnish each First Lien Mortgagee an annual financial statement of the Association within 120 days following the end of each fiscal year of the Association upon payment of reasonable copy charges.

7.7 Notice of Meetings. The Association shall furnish each First Lien Mortgagee upon written request by such First Lien Mortgagee, prior written notice of all meetings of the Association and permit the designation of a representative of such First Lien Mortgagee to attend such meetings, one such request to be deemed to be a request for prior written notice of all subsequent meetings of the Association.

7.8 Notice of Damages, Destruction, or Condemnation. Upon written request by it, the Association shall furnish a First Lien Mortgagee timely written notice of any substantial damage or partial destruction of any Unit on which such First Lien Mortgagee holds the mortgage if such loss exceeds \$1,000 and of any part of the Common Elements if such loss exceeds \$ 10,000. The same notice shall be timely given if condemnation proceedings are instituted on a mortgagee's Unit or if specific notice to a lienholder is required under this Declaration.

7.9 Management Certificate. A management certificate, in compliance with the requirements of TUCA, shall be timely filed with the County Clerk of _____ County, Texas. A copy of a sample management certificate to be used is contained in **Exhibit F** and may be modified as needed or required by law, without need to amend.

ARTICLE VIII. Miscellaneous Provisions.

8.1 Amendments to Declaration. Declarant may amend this Declaration at any time prior to the sale of a Unit to an Owner other than Declarant. Declarant may also amend this Declaration for the purpose of exercising a Special Declarant Right reserved by Declarant. Pursuant to §82.067 (a)(3) of TUCA, any such amendment will be effective upon: (1) execution by Declarant and (2) compliance with §82.067(g) of TUCA. Declarant may also amend the Declaration as provided by §82.051(c), §82.059(f), §82.060 and §82.067 (a) and (f) of TUCA.

The Association may amend this Declaration in accordance with §82.007, §82.056(d), §82.058(c), or §82.062 of TUCA. Certain Owners may amend this Declaration in accordance with §82.058(b), §82.062, and §82.068(b) of TUCA. No amendment will be effective until an original thereof is duly recorded in the Official Public Records.

This Declaration may be terminated in accordance with §82.068 of TUCA.

8.2 Dimensions. The square footage, size, and dimensions of each Unit as set out and shown in this Declaration or on the Map are approximate and are shown for descriptive purposes only, and the Declarant does not warrant, represent, or guarantee that any Unit actually contains the area, square footage, or dimensions shown by the plat thereof. A purchaser of a Unit shall have no claim or demand against the Declarant or any other person because of any difference, shortage, or discrepancy between the Unit as actually and physically existing and as is shown on the Map. The existing physical boundaries of a Unit or of any Unit reconstructed in substantial accordance with the original plans thereof shall be conclusively presumed to be in the boundaries, regardless of settling, arising, or lateral movement of the building and regardless of variance between the boundaries shown on the Map and those of the Buildings.

8.3 Change in Documents. Upon written request, the holder of any mortgage covering any of the Units shall be entitled to written notification from the Association 30 days prior to the effective date of any change in this Declaration.

8.4 Notices. All notices, demands or other notices intended to be served upon an Owner may be sent by ordinary or certified mail, postage prepaid, or by personal delivery, in any event addressed in the name of such Owner in care of the Unit number and Building address of such Owner, All notices, demands or other notices intended to be served upon the Board of Directors of the Association or the Association, may be sent by ordinary or certified mail, postage prepaid, or by personal delivery, in any event to the management company for the Association, until such address is changed by a notice of address change duly recorded in the Official Public Records of _____ County Texas.

8.5 Conflict between Declaration and Bylaw. Whenever the application of a provision of this Declaration conflicts with the application of any provision of the Bylaws adopted by the Association, the provisions or application of this Declaration shall prevail.

8.6 Invalidation of Parts. If any of the provisions of this Declaration or any section, sentence, clause, phrase or word or the application thereof in any circumstances is invalidated or declared unenforceable, such invalidity shall not affect the validity of enforceability of the remainder of this Declaration and the application of any provisions, section, sentence, clause, phrase, or word in any other circumstance shall not be affected thereby.

8.7 Omissions. In the event of the omission from this Declaration of any word, sentence, clause, provision, or stipulation which shall be necessary for the accomplishment of the intent and purposes of this Declaration, then such omitted matter shall be supplied by inference and/or by reference to the Act.

8.8 Consent of Mortgagee. The financial institution holding a first lien on the Property at the time of recordation of this Declaration consents to the creation of the Declaration, as set forth in **Exhibit G.**

ARTICLE IX. Sale, Leasing or Other Alienation.

9.1 Sale of Lease. If the Owner of any Unit or any interest therein, other than Declarant, shall desire at any time to sell or lease its Unit or any interest therein to any person other than Declarant, and receives an offer for the purchase thereof or the lease thereof for a term of 6 months or longer, which he would be willing to accept, such Owner shall not sell or lease its Unit or interest therein without first giving the Board at least 45 days prior written notice of the proposed sale or lease, which notice shall be sent by United States certified or registered mail, with return receipt requested, and shall state the name, address, occupation and place of employment of the proposed purchaser, or lessee, and the price, terms and conditions of the proposed sale or lease. Such notice shall be deemed to authorize the Board to make credit inquiries regarding the proposed purchaser or lessee.

During the period of 30 days following the receipt of such notice by the Board, the Association shall have the right of first refusal and an irrevocable option to purchase or lease the Unit or any interest therein for the same price and upon the same terms and conditions as the proposed sale or lease described in such notice.

If the Board shall fail to give written notice to such Owner within said 30 day period that the Association has elected to purchase or lease such Unit or any interest therein upon the terms herein provided, or if the Board notifies such Owner in writing within said 30 day period that it has elected not to purchase or lease such Unit or any interest therein, then and in either event such Owner may proceed to close said proposed sale or lease transaction. If, however, the Board gives written notice to such Owner within said 30 day period of the election by the Association to purchase or lease said Unit or any interest therein upon the same terms as the proposed sale or lease described in said notice, then such purchase or lease shall be closed upon the same terms as such proposed sale or lease. Any letting or leasing of any Unit or any interest therein for a period less than six months or less by any Owner, shall not be subject to the right of first refusal by the Association.

9.2 Consent. The Board shall not exercise any option and right of first refusal herein above set forth to purchase any Unit or interest therein without the prior written consent of the voting members holding at least 75% of the voting rights in the Association, excluding the members whose Unit or Units are the subject matter of such option for purposes of determining said percentages. If the Board shall adopt a resolution recommending that the Association should purchase, rent or lease said Unit upon the terms described in said notice, then the Board shall promptly call a special meeting of the Association for the purpose of voting upon its right and option of first refusal, which meeting shall be held within 30 days from date of receipt of said notice, and if the Owners owning not less than 75% in the aggregate of the total ownership interest in the Common Elements, excluding the members whose Unit or Units are the subject matter of such option for purposes of determining said percentages, by affirmative vote at such meeting, elect to exercise such right and option of first refusal to purchase, rent or lease such Unit on the terms proposed, then the Board shall promptly give written notice of such election to the Owner desiring to sell, rent or lease in accordance with the provisions hereof.

9.3 Financing of Purchase Under Option. Acquisition of the fee title, leasehold rights or any interest in the Units by the Association may be made from the assets, if any, or on the credit of the Association, as such, or from the Association's funds or if such funds are insufficient, the Board may levy as assessment against each Owner in proportion to its ownership in the Common Elements, as a Common Expense, which assessment shall be enforceable in the same manner as provided herein; or the Board, in its discretion, may cause the Association to borrow money to finance the acquisition of such interest. The Association shall not levy any assessment for funds to be used to acquire or to amortize indebtedness on any such acquired Unit without the prior approval of the Owners of Units owning at least 51% of the Common Elements, and the approval of the lienholders holding mortgages or liens upon the Units which have 51% of the Common Elements appurtenant to such Units.

9.4 Resale or Sublease by Association. If the Association shall purchase, rent or lease any Unit as herein provided, the Board shall have the authority at any time thereafter to sell, subrent or sublease the same on behalf of the Association, upon such terms and for such price as the Board may deem proper, and all net proceeds or deficit therefrom shall be divided among all the Owners in proportion to their respective ownership interests in the Common Elements, in such manner as the Board may determine.

9.5 Waiver of Option. The Board shall have the authority on behalf of and in the name of the Association to elect by majority vote of the members of the Board not to exercise such right and option of first refusal, and to give written notice of such election. The Board shall also have the authority and right, on behalf of and in the name of the Association to waive the provisions of this Article in respect to any Unit or Units, provided that such waiver shall be in writing, and duly executed and acknowledged in recordable form. Whenever any such waiver may be given by the Board in respect to any Unit or Units, the Owner or Owners thereof may sell, rent or lease the same without regard to the provisions of this Article and without giving the notice required herein of its proposed sale, rental or lease and without giving the Association the right and option of first refusal provided for herein.

9.6 Proof of Termination of Option. A certificate executed and acknowledged by the acting Secretary of the Board stating that the provisions of this Article as herein above set forth have been met by an Owner, or duly waived by the Board, and that the rights of the Board hereunder have terminated, shall be conclusive upon the Board and the Owners in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any Owner who has in fact, complied with the provisions of this Article or in respect to whom the provisions of this Article have been waived, upon request at a fee set by the Board.

9.7 Exceptions to Options. The provisions of this Article shall not apply to any sales, rentals or leases made by or to Declarant. Any Owner may sell, lease or rent its Unit to the Declarant without complying with the provisions of this Article. Also, the Declarant shall have the absolute and unconditional right to sell, rent or lease any Unit which it may now own, or which it may acquire by

repurchase or lease from any Owner, to any person whomsoever, without complying with any of the provisions of this Article.

ARTICLE X. Declarant's Right to Cure; Arbitration

10.1 Owner Claims for Alleged Defects, Personal Injury, Survival, Wrongful Death or Damage to Goods-Binding Arbitration. It is Declarant's intent that all Units will be constructed in compliance with all applicable building codes and ordinances and that such improvements be of a quality that is consistent with good construction and development practices for similar projects. Nevertheless, disputes may arise concerning the existence of defects in a Unit or the Building and the Declarant's responsibility for correcting such defects. It is Declarant's intent to resolve all disputes and claims pertaining to construction defects amicably, and without the necessity of time-consuming and costly litigation. Declarant hereby reserves the right and easement for itself and any successor or assign to inspect, repair and/or replace defects in any General Common Elements, Limited Common Elements, Unit, Building or any improvement.

(a) **Binding Arbitration.** In the event an Owner asserts or alleges a claim for damages for any alleged defect in the construction or design of the General Common Elements, Limited Common Elements, Unit, the Building or any improvement, or any personal injury, survival, wrongful death or damage to goods which was caused by any defect associated with construction or design of the General Common Elements, Limited Common Elements, Unit, Building or any improvement (collectively, an "***Owner Dispute***"), then the Owner will be obligated to arbitrate the Owner Dispute unless Declarant specifically waives arbitration in writing (in the event of a waiver by the Declarant, there shall be no obligation to arbitrate the Group Dispute). Declarant may, by summary proceedings (e.g., a plea in abatement or motion to stay further proceedings), bring an action in court to compel arbitration of any Owner Dispute not referred to arbitration as required by this **Section 10.1**.

(b) **Governing Rules.** Each Owner Dispute shall be resolved by binding arbitration in accordance with the terms of this **Section 10.1**, the Commercial Arbitration Rules of the American Arbitration Association, and, to the maximum extent applicable, the Federal Arbitration Act (Title 9 of the United States Code). In the event of any inconsistency between this **Section 10.1** and such statute and rules, this **Section 10.1** shall control. Judgment upon the award rendered by the arbitrators will be binding and not subject to appeal, but may be reduced to judgment in any court having jurisdiction.

(c) **Exceptions to Arbitration; Preservation of Remedies.** No provision of, nor the exercise of any rights under, this **Section 10.1** will limit the right of Declarant or any Owner, and Declarant and such Owner shall have the right during any Owner Dispute, to seek, use, and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of realizing upon, preserving, or protecting upon any property, real or personal, which is involved in an Owner Dispute, including, without limitation, rights and remedies relating to (1) exercising self-help remedies (including set-off rights) or (2) obtaining provisions or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment, or the appointment of a receiver from a court having jurisdiction before, during, or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies will not constitute a waiver of the right of any party, including the plaintiff, to submit the Owner Dispute to arbitration nor render inapplicable the compulsory arbitration provisions hereof.

(d) **Statute of Limitations.** Any statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding under this **Section 10.1**.

(e) **Arbitrators.** Unless the parties to the arbitration agree in writing to the contrary, all arbitration proceedings shall be arbitrated by a panel of three arbitrators, which shall be appointed by the American Arbitration Association in accordance with its procedures.

(f) **Scope of Award; Modification or Vacation of Award.** The arbitrators shall resolve an Owner Dispute in accordance with the applicable substantive law. The arbitrators may grant any remedy or relief that the arbitrators deem just and equitable and within the scope of this **Section 10.1**. The arbitrators may also grant such ancillary relief as is necessary to make effective the award. In all arbitration proceedings in which the amount in controversy exceeds \$50,000.00, in the aggregate, the arbitrators shall make specific, written findings of fact and conclusions of law. In all arbitration proceedings in which the amount in controversy exceeds \$50,000.00, in the aggregate, the parties shall have in addition to the limited statutory right to seek vacation or modification of any award that is based in whole, or in part, on an incorrect or erroneous ruling of law by appeal to an appropriate court having jurisdiction; provided, however, that any such application for vacation or modification of an award based on an incorrect ruling of law must be filed in a court having jurisdiction over the Owner Dispute within 15 days from the date the award is rendered. The arbitrators' findings of fact shall be binding on all parties and shall not be subject to further review except as otherwise allowed by applicable law.

(g) **Other Matters.** To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within 180 days of the filing of the Owner Dispute for arbitration by notice from either party to the other. Arbitration proceedings hereunder shall be conducted in the city of the Regime's location. Arbitrators shall be empowered to impose sanctions and to take such other actions as the arbitrators deem necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure and applicable law. The arbitrators shall have the power to award recovery of all costs and fees (including attorney's fees, administrative fees, and arbitrators' fees) to the prevailing party. Each party agrees to keep all Owner Disputes and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by applicable law or regulation. In no event shall any party discuss with the news media or grant any interviews with the news media regarding an Owner Dispute or issue any press release regarding any Owner Dispute without the written consent of the other parties to the Owner Dispute.

10.2 Declarant's Right to Cure Alleged Defects-Claims by the Association.

(a) **Easement.** In the event that the Association claims, contends or alleges that any portion of the General Common Elements, Limited Common Elements, Unit, Building or any other improvement is defective, or claims, contends or alleges that Declarant, its agents, consultants, contractors or subcontractors (collectively, "**Agents**") were negligent or are otherwise liable for defects in the planning, design, engineering, grading, construction or other development of all or any portion of the General Common Elements, Limited Common Elements, Unit, Building or any other improvement (collectively, an "**Alleged Defect**"), Declarant hereby reserves the right and easement for itself and any successor or assign to inspect, repair and/or replace the Alleged Defect as provided in this **Section 10.2**.

(b) **Notice and Information.** The Association shall, within 15 days of after discovery of any Alleged Defect, deliver a written notice (the "**Notice of Alleged Defect**") to Declarant which shall include all of the following:

(1) A preliminary list of Alleged Defects (the "**Preliminary List of Alleged Defects**");

(2) A summary of the results of a surveyor questionnaire distributed to the Members of the Association to determine the nature and extent of the Alleged Defects, if such a survey has been conducted or questionnaire has been distributed; and

(3) Either a summary of the results of testing conducted to determine the nature and extent of the Alleged Defects or the actual test results, if such testing has been conducted.

(c) **Settlement Period.** The Notice of Alleged Defect shall, upon delivery to Declarant, commence a period of time not to exceed 60 days, unless the Association and Declarant

agree to a longer period, during which the Association and Declarant shall attempt to settle the dispute in accordance with the provisions of this **Section 10.2**.

(d) **Tolling.** Except as provided in this **Section 10.2**, the Notice of Alleged Defect shall, upon mailing, toll all statutory and contractual limitations on actions against all parties who may be responsible for the defects claimed, whether named in the notice or not, including claims for indemnity applicable to the claim, for a period of 150 days or a longer period agreed to in writing by the Association and Declarant; provided, however, at any time, Declarant may give written notice (the “**Cancellation Notice**”) to cancel the tolling of the statute of limitations provided in this subsection. Upon delivery of a Cancellation Notice, the Association and Declarant shall be relieved of any further obligation to satisfy the requirements of this **Section 10.2** except that the Association shall not be relieved of the obligations under subsections (i)(2) and (j) below. The tolling of all applicable statutes of limitations shall cease 60 days after a Cancellation Notice is delivered to the Association.

(e) **Initial Meeting.** Within 25 days of the date the Association delivers the Notice of Alleged Defect to Declarant, Declarant may request in writing to meet and confer with the Board (the “**Request to Meet and Confer**”), and to inspect the alleged defect and conduct testing, including testing which may cause physical damage to the portion of the General Common Elements, Limited Common Elements, Unit, Building or any other improvement on which the defect exists, in order to evaluate the claim. If Declarant does not make a timely Request to Meet and Confer, the Association and Declarant shall be relieved of any further obligation to satisfy the requirements of this Section; provided, however, that the Association shall not be relieved of the obligations of subsections (i)(2) and (j) below. Unless Declarant and the Association otherwise agree, the meeting (the “**Initial Meeting**”) shall take place no later than 10 days from the date of the Request to Meet and Confer at a mutually agreeable time and place. The Association shall provide to each Member a notice of the time and place of the Initial Meeting pursuant to the provisions of the Bylaws. The discussions at the Initial Meeting shall be privileged communications and shall not be admissible in evidence in any civil action or arbitration, unless Declarant and the Board consent to such admission. The Initial Meeting shall be for the purpose of discussing all of the following:

- (1) the nature and extent of the Alleged Defects;
- (2) proposed methods of correction, to the extent there is sufficient information;
- (3) proposals for submitting the dispute to arbitration; and
- (4) requests from Declarant to inspect the portion of the General Common Elements, Limited Common Elements, Unit, Building or any other improvement on which the defect exists.

(f) **Delivery of Reports.** If the Association has conducted any inspection or testing of the alleged defect prior to the date the Association sent the Notice of Alleged Defect to Declarant, the Association shall, at the earliest practicable date after the Initial Meeting and no later than 5 days after the Initial Meeting, make available to Declarant for inspection and testing at least those areas inspected or tested by the Association. Declarant shall further have the right to enter onto or into, as applicable, any General Common Elements, Limited Common Elements, Unit, Building or any other improvement for the purpose of conducting inspections and tests necessary or required by Declarant, and at Declarant’s sole cost and expense, to evaluate the Alleged Defect, and each Owner and the Association shall cooperate with such efforts. The results of any inspection or testing conducted by Declarant shall not be inadmissible in evidence in any action for arbitration solely because the inspection and testing was conducted pursuant to this **Section 10.2**.

(g) **Board Meeting.** Within 30 days of the completion of inspection and testing or within 30 days of the Initial Meeting, if no inspection and testing is conducted pursuant to this Section, Declarant shall submit to the Association the following:

(1) a request to meet with the Board to discuss a written settlement offer;

and

(2) a written settlement offer and a concise explanation of the specific reasons for the terms of the offer.

If Declarant does not timely submit the items required by this subsection (g), the Board shall be relieved of any obligations to meet and confer with Declarant about the Settlement Offer; otherwise, the Board shall meet and confer with Declarant about the Settlement Offer no less than 10 days after Declarant submits the items described in this subsection (g).

(h) **Notices.** At any time after the Notice of Alleged Defect is delivered to Declarant, the Association and Declarant may agree in writing to modify or excuse any of the time periods or other obligations imposed by this **Section 10.2**. Except for the notice required pursuant to subsection (i) below, all notices, requests, statements, or other communications required pursuant to this section shall be delivered by first-class registered or certified mail, return receipt requested.

(i) **Process Thereafter.** The Association shall comply with either subsection (l) or subsection (2), below.

(1) **Member Meeting.** If the Board rejects the Settlement Offer, then the Board shall hold a meeting (the "**Member Meeting**") open to every member of the Association no less than 15 days before the Association submits a claim to arbitration pursuant to **Section 10.3**. No less than 15 days before the Member Meeting is held, a written notice shall be sent to each Member specifying all of the following:

(a) that a meeting will take place to discuss alleged problems that may lead to the submission of a claim to binding arbitration, and the time and place of this meeting;

(b) the options that are available to address the alleged defects, including the submission of the claim to binding arbitration, and a statement of the various alternatives that are reasonably foreseeable by the Association to pay for those options and whether those payments are expected to be made from the use of the Association's reserve funds or the imposition of special Assessments;

(c) the complete text of any Settlement Offer and a concise explanation of the specific reasons for the terms of the Settlement Offer received from Declarant;

(d) the preliminary list of defects provided by the Association to the Declarant and a list of any other documents provided by the Association to the Declarant pursuant to this Section, and information about where and when Members may inspect those documents;

(e) a description of the attempts of Declarant to correct such Alleged Defect and the opportunities provided to Declarant to correct such Alleged Defect;

(f) the estimated cost to repair such Alleged Defect;

(g) the name and professional background of the attorney retained by the Association to submit the claim to binding arbitration and a description of the relationship (if any) between such attorney and any members of the Board;

(h) a description of the fee arrangement between such attorney and the Association;

(i) the estimated attorneys' fees and expert fees and costs necessary to submit and pursue the arbitration and the source of the funds which will be used to pay such fees and expenses; and

(j) the estimated time necessary to conclude the arbitration.

The discussions at the Member Meeting and the contents of the notice of Member Meeting and the items required to be specified in such notice are privileged communications and are not admissible in evidence in any civil action or arbitration, unless the Association consents to their admission.

(2) Proceed to Arbitration. If the Association is relieved of its obligation to satisfy the requirements of this **Section 10.2** other than this subsection (i)(2) and subsection (j) below, then the Association may submit the claim to binding arbitration only if Association sends a written notice to each Member at least 30 days prior to commencing such action, which notice shall include all of the following:

(a) the preliminary list of defects provided by the Association to Declarant and a list of any other documents provided by the Association to Declarant pursuant to this **Section 10.2**, and information about where and when Members may inspect those documents;

(b) the options, including the submission of the claim to binding arbitration, that are available to address the alleged problems;

(c) a statement informing the Members of the procedures required by the Bylaws of the Association for the Members to call a special meeting of the Members and that if the Members meet such procedures, a special meeting of the Members shall be called;

(d) a description of the attempts of Declarant to correct such Alleged Defect and the opportunities provided to Declarant to correct such Alleged Defect;

(e) the estimated cost to repair such Alleged Defect;

(f) the name and professional background of the attorney retained by the Association to submit the claim to binding arbitration and a description of the relationship (if any) between such attorney and any members of the Board;

(g) a description of the fee arrangement between such attorney and the Association;

(h) the estimated attorneys' fees and expert fees and costs necessary to submit and pursue the arbitration and the source of the funds which will be used to pay such fees and expenses; and

(i) the estimated time necessary to conclude the arbitration.

(j) Application of Awards. Any judgment or award in connection with any arbitration alleging damages: (i) for the costs of repairing or the replacement of any Alleged Defect, (ii) for the diminution in value of any real or personal property resulting from such Alleged Defect, or (iii) for any consequential damages resulting from such Alleged Defect shall first be used to correct and or repair such Alleged Defect or to reimburse the Association for any costs actually incurred by the Association in correcting and/or repairing the Alleged Defect. In the event the Association recovers any funds from Declarant (or any other person or entity) to repair an Alleged Defect, any excess funds remaining after

repair of such Alleged Defect shall be paid into the Association's reserve fund unless at least 80% of the voting power of the Association elects to allocate or distribute the remaining funds otherwise.

(k) **Notification to Members of Settlement.** As soon as is reasonably practicable after the Association and the Declarant have entered into a settlement agreement or the matter has otherwise been resolved regarding the Alleged Defects, where the defects giving rise to the dispute have not been corrected, the Association shall, in writing, inform only the Members whose names appear on the records of the Association that the matter has been resolved, by settlement agreement or other means, and disclose all of the following:

(1) A general description of the defects that the Association reasonably believes, as of the date of the disclosure, will be corrected or replaced;

(2) A good faith estimate, as of the date of the disclosure, of when the Association believes that the defects identified in subsection (k)(1), above, will be corrected or replaced. The Association may state that the estimate may be modified;

(3) The status of the claims for defects that were not identified in subsection (k)(l), above, whether expressed in a Preliminary List of Alleged Defects sent to each Member or otherwise claimed and disclosed to the Members.

(l) **Protections for Declarant.** Nothing set forth in this **Section 10.2** shall be construed to impose any obligation on Declarant to inspect, repair or replace any item or Alleged Defect for which Declarant is not otherwise obligated to do under applicable law. The right of Declarant to enter, inspect, repair, and/or replace reserved hereby shall be irrevocable and may not be waived or otherwise terminated except by a writing, in recordable form, executed and recorded by Declarant in the Official Public Records.

10.3 Association Claims — Binding Arbitration.

(a) **Binding Arbitration.** In the event a claim is asserted by the Association against the Declarant for damages caused by a defect in the design or construction of any General Common Elements, Limited Common Elements, Unit, Building, or any other improvement, or for any personal injury, survival, wrongful death or damage to goods which was caused by such defect (collectively, the "**Group Dispute**"), then after the Association has complied with the provisions of **Section 10.2**, or Declarant has provided a Cancellation Notice to the Association in accordance with **Section 10.2(d)**, the Association and the Declarant shall be obligated to arbitrate such Group Dispute unless Declarant specifically waives arbitration in writing (in the event of a waiver by the Declarant, there shall be no obligation to arbitrate the Group Dispute). Declarant may, by summary proceedings (e.g., a plea in abatement or motion to stay further proceedings), bring an action in court to compel arbitration of any Group Dispute not referred to arbitration as required by this **Section 10.3**.

(b) **Governing Rules.** Each Group Dispute shall be resolved by binding arbitration in accordance with the terms of this **Section 10.3**, the Commercial Arbitration Rules of the American Arbitration Association, and, to the maximum extent applicable, the Federal Arbitration Act (Title 9 of the United States Code). In the event of any inconsistency between this **Section 10.3** and such statute and rules, this **Section 10.3** shall control. Judgment upon the award rendered by the arbitrators shall be binding and not subject to appeal, but may be reduced to judgment in any court having jurisdiction.

(c) **Exceptions to Arbitration; Preservation of Remedies.** No provision of, nor the exercise of any rights under, this **Section 10.3** shall limit the right of Declarant or the Association, and Declarant and the Association shall have the right during any Group Dispute, to seek, use, and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of realizing upon, preserving, or protecting upon any property, real or personal, which is involved in a Group Dispute, including, without limitation, rights and remedies relating to (1) exercising self-help remedies (including set-off rights) or (2)

obtaining provisions or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment, or the appointment of a receiver from a court having jurisdiction before, during, or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies shall not constitute a waiver of the right of any party, including the plaintiff, to submit the Group Dispute to arbitration nor render inapplicable the compulsory arbitration provisions hereof.

(d) **Statute of Limitations.** All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding.

(e) **Arbitrators.** Unless the parties to the arbitration agree in writing to the contrary, all arbitration proceedings shall be arbitrated by a panel of three arbitrators, which shall be appointed by the American Arbitration Association in accordance with its procedures.

(f) **Scope of Award; Modification or Vacation of Award.** The arbitrators shall resolve each Group Dispute in accordance with the applicable substantive law. The arbitrators may grant any remedy or relief that the arbitrators deem just and equitable unless otherwise limited by this subsection. Also, unless otherwise limited by this subsection, the arbitrators may also grant such ancillary relief as is necessary to make effective the award. In all arbitration proceedings in which the amount in controversy exceeds \$100,000.00, in the aggregate, the arbitrators shall make specific, written findings of fact and conclusions of law. In all arbitration proceedings in which the amount in controversy exceeds \$100,000.00, in the aggregate, the parties shall have in addition to the limited statutory right to seek vacation or modification of any award that is based in whole, or in part, on an incorrect or erroneous ruling of law by appeal to an appropriate court having jurisdiction; provided, however, that any such application for vacation or modification of an award based on an incorrect ruling of law must be filed in a court having jurisdiction over the Group Dispute within 15 days from the date the award is rendered. The arbitrators' findings of fact shall be binding on all parties and shall not be subject to further review except as otherwise allowed by applicable law.

(g) **Other Matters.** To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within 180 days of the filing of the Group Dispute for arbitration by notice from either party to the other. Arbitration proceedings hereunder shall be conducted in Austin, Texas. Unless otherwise limited by **Section 10.3(f)** the arbitrators shall be empowered to impose sanctions and to take such other actions as the arbitrators deem necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure and applicable law. The arbitrators shall have the power to award recovery of all costs and fees (including attorney's fees, administrative fees, and arbitrators' fees) to the prevailing party. Each party agrees to keep all Group Disputes and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by applicable law or regulation. In no event shall any party discuss with the news media or grant any interviews with the news media regarding a Group Dispute or issue any press release regarding any Group Dispute without the written consent of the other parties to the Group Dispute.

IN WITNESS WHEREOF, this Declaration has been executed as of the _____ day of _____, 2013.

DECLARANT:

Condominium Developer, Ltd., a Texas limited partnership

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 2013, by _____, the _____ of Condominium Developer, LLC., a Texas limited liability company, for Condominium Developer, Ltd., a Texas limited partnership, on behalf of said limited liability company and limited partnership.

Notary Public - State of Texas

SCHEDULE 1.0 - DEFINITIONS(See **ARTICLE I**)

- 1.1 Agents.** “Agents” is defined in **Section 10.2(a)**.
- 1.2 Alleged Defect.** “Alleged Defect” is defined in **Section 10.2(a)**.
- 1.3 Allocated Interest.** “Allocated Interest” means the undivided interest in the Common Elements, the Common Expense liability, and votes in the Association allocated to each Unit. Each Unit’s Allocated Interest in the Common Elements and Common Expense liability is allocated in **Section 3.1** in accordance with **Exhibit C**. Voting is allocated to Units in **Section 4.5**.
- 1.4 Architectural Control Committee.** “Architectural Control Committee” shall mean the Board or a committee appointed by the Board to review and approve or disapprove of construction, alterations, and modifications to the Buildings, Common Elements as provided in this Declaration.
- 1.5 Association.** “Association” shall refer to the “_____ **Office Park Condominium Owners’ Association, Inc.**” References in this Declaration to an act being undertaken by the Association means by act of the Board of Directors of the Association or its officers.
- 1.6 Board or Board of Directors.** “Board” or “Board of Directors” shall refer to the Board of Directors of the Association.
- 1.7 Boundary Designation.** “Boundary Designation” means the notice required to be filed pursuant to this Declaration designating and describing the horizontal and vertical boundaries of the shell of the Building build on each Building Site. Attached hereto as **Exhibit J** is a form of Boundary Designation.
- 1.8 Building Envelope.** “Building Envelope” means the portion of the Regime, both vertical and horizontal limits as specified in **Section 2.3(b)** and depicted on **Exhibit B**, within which the Building enclosing a Unit is to be constructed. Each Building Envelope may be expanded outside of the boundaries so designated in accordance with the provisions of **Section 2.3 (b)** and **Section 3.8** of this Declaration or by Declarant in exercise of the Special Declarant Rights.
- 1.9 Building Site.** “Building Site” means the portion of the Common Elements that is an easement area for each of the _____ sites, the horizontal and vertical boundaries of which are designated in **Exhibit B**, upon which the Unit Owner thereof is to construct the Building for the Unit Owner’s Unit. Each Building Site may be expanded outside of the boundaries so designated in accordance with the provisions of **Section 2.3 (b)** and **Section 3.8** of this Declaration or by Declarant in exercise of the Special Declarant Rights.
- 1.10 Building.** “Building” shall refer to any one of the buildings identified on the map of the Project attached as **Exhibit B**.
- 1.11 Cancellation Notice.** “Cancellation Notice” is defined in **Section 10.2(d)**.
- 1.12 Common Assessment.** “Common Assessment” means the charge against each Owner of a Unit and its Unit, for its allocable portion of the Common Expenses.
- 1.13 Common Elements.** “Common Elements” or “Common Area” means and includes all of the land described in **Exhibit A**, and all of the improvements and appurtenances thereto, except for the Units. Common Elements shall consist of the General Common Elements and the Limited Common Elements.
- 1.14 Common Expenses.** “Common Expenses” means and includes:

(a) all expenses incurred by the Association for promoting the health, safety, welfare and recreation of the Owners of the Condominium Units and in particular for the administration and management, ownership, maintenance, operation, repair, replacement, or improvement of and addition to the Common Elements (including unpaid special assessments and amounts assessed to maintain a reserve for replacement fund and to cover costs incurred by the Association to participate in any condemnation suit, as provided in **Section 6.3**); and

(b) expenses declared to be Common Expenses by provisions of this Declaration or by the Bylaws of the Association.

1.15 Completed Unit. “Completed Unit” means a completely finished Unit, including, but not limited to, the installation of all appliances and utilities, rendering it ready for occupancy by an Owner other than the Declarant.

1.16 Condominium Unit. “Condominium Unit” shall mean an individual Unit, as defined in **Section** in this Schedule, together with the undivided interests in the Common Elements (General or Limited or both) appurtenant to such Unit as specified in **Exhibit C**.

1.17 Declarant Control Period. “Declarant Control Period” means that period during which Declarant is developing and constructing the Project and selling the Condominium Units, which period shall extend until four months after the time that the Declarant transfers title to 75% of the Condominium Units or a period of 3 years from the date the sale of the first sale of a Unit is recorded in the Official Public Records of _____ County, Texas, whichever is sooner. See **Sections 2.9, 4.2(d)** and **5.12** for Special Declarant Rights.

1.18 Declarant. “Declarant” shall mean Condominium Developer, Ltd., or its successors or assigns, as the developer of the Project as a condominium under the Act.

1.19 Declaration. “Declaration” or “Condominium Declaration” shall mean this Declaration of Covenants, Conditions and Restrictions as amended from time to time.

1.20 First Lien Mortgagee. “First Lien Mortgagee” shall mean the holder of a purchase-money vendor’s lien or construction money mortgage or deed of trust lien voluntarily granted on any Unit in the Project recorded before the date on which the Assessment sought to be enforced becomes delinquent under the Declaration, Bylaws, or Rules and Regulations (“**First Lien Mortgage**”). Funds advanced under a First Lien Mortgage for purposes in addition to purchase money or construction also shall have priority over the lien securing Assessments.

1.21 General Common Elements. “General Common Elements” means that part of the Common Elements described as follows:

(a) the land on which all buildings and other improvements are constructed other than the portion thereof designated as a Limited Common Element and which is described in **Exhibit A**.

(b) the foundations, columns, girders, beams, supports, main walls, roofs, attic spaces, dividing walls between two or more Units or between Units and other exterior improvements;

(c) the yards, gardens, fences, streets, driveways, service drives, service easements, and mechanical rooms, if any other than those which are specifically designated as a Limited Common Element;

(d) the compartments or installations, if any, consisting of the equipment and materials making up any central services (such as electricity, gas, water, and the like) which are constructed to serve more than one Unit, if any; pumps, motors, fans, compressors, ducts, and in general

all apparatus and installations existing for the common use and enjoyment of the Project and necessary for the common use and maintenance of the Project as a condominium, but specifically not including the air conditioning compressors, or the pads or slabs there under, appurtenant to and part of each of the several Units;

(e) parking spaces;

(f) the private drives as shown on the Map; and

(g) all other elements rationally of common use or necessary to the existence, maintenance and safety of the Condominium Regime established by this Declaration, and which are not specifically designated as a Limited Common Element or as appurtenant to as constituting a part of a particular Unit.

1.22 Group Dispute. “Group Dispute” is defined in **Section 10.3(a).**

1.23 Initial Meeting. “Initial Meeting” is defined in **Section 10.2(e).**

1.24 Insurable Interest. “Insurable Interest” is defined in **Section 4.6(a).**

1.25 _____ Office Park. “_____ **Office Park**” is defined in the Recitals.

1.26 Limited Common Elements. “Limited Common Elements” mean and include those Common Elements which are reserved for the exclusive use of either an individual Owner of a Unit or a certain number (but less than all) of individual Owners of Units, which consist of the following:

(a) land underneath a Building and land outside of a Building Site but within a Building Envelope;

(b) pipes, ducts, electrical, telephonic and electronic wiring and conduits located either (i) entirely within a Unit or adjoining Units and serving more than the one Unit in which located, or (ii) outside of a Unit but which serve one or more, but less than all the Units;

(c) enclosed court yards, and sidewalks, driveways and/or parking spaces, adjoining or serving exclusively a single Unit or one or more but less than all adjoining Units; and

(d) areas or parcels of land designated on the attached exhibits or in a Boundary Designation.

1.27 Majority of Unit Owners. “Majority of Unit Owners” means those Owners which at the relevant time own at least 51% of the Units entitled to cast votes.

1.28 Map or Plan. “Map” or “Plan” means or includes the engineering survey of the land, locating thereon all of the improvements, the floor and elevation plans and any other drawing or diagrammatic plan depicting part of, or all of, the improvements, a reduced copy of which is attached as **Exhibit B.** The large, original Map is recorded as Condominium Plat Records of _____ County, Texas.

1.29 Member Meeting. “Member Meeting” is defined in **Section 10.2(i)(1).**

1.30 Notice of Alleged Defect. “Notice of Alleged Defect” is defined in **Section 10.2(b).**

1.31 Occupant. “Occupant” means a person or collectively the persons in possession of a Unit at the relevant time, regardless of whether said person is a Unit Owner, lessee, or otherwise.

1.32 Owner. “Owner” means a person, firm, corporation, partnership, association, trust, or other legal entity or any combination thereof, including, without limitation, the Declarant, who owns, of record, fee simple title to one or more Units in the Project.

1.33 Owner Dispute. “Owner Dispute” is defined in Section 10.1(a).

1.34 Regime. “Regime” or “Condominium Regime” shall mean the Land, improvements, Units, General Common Elements and Limited Common Elements which comprise the condominium regime established by this Declaration.

1.35 Rules and Regulations. “Rules and Regulations” shall mean Rules and Regulations adopted by the Declarant or Board of Directors concerning the management and administration of the Regime for the use and enjoyment of the Owners. The Rules and Regulations may be amended from time to time by the Board (without amending this Declaration).

1.36 Plat. “Plat” means the survey attached hereto as Exhibit A.

1.37 Preliminary List of Alleged Defects. “Preliminary List of Alleged Defects” is defined in Section 10.2(b)(1).

1.38 Property, Project or Premises. “Property,” “Project,” or “Premises” means and includes in the aggregate the land, the Buildings and all improvements and structures thereof and thereto, including, without limitation, the Common Elements and all rights, easements, and appurtenances belonging thereto.

1.39 Resale Certificate. “Resale Certificate” is defined in Section 5.11.

1.40 Request to Meet and Confer. “Request to Meet and Confer” is defined in Section 10.2(e).

1.41 Special Declarant Rights. “Special Declarant Rights” is defined in Section 2.9 and Schedule 2.9.

1.42 TUCA. “TUCA” is defined in the Recitals.

1.43 Unit. “Unit” or “Suite” is the respective Building of each Owner which is to be constructed on a Building Site with in a Building Envelope as shown on the Map. The actual physical boundaries of the Building shall be conclusively presumed to be the proper boundaries of a Unit, regardless of variances between boundaries shown on the Map and the actual boundaries of such Building.

The individual ownership of each Unit shall further include the interior construction, partitions, appliances, fixtures, and improvements that are intended to serve exclusively such Unit space, such as interior room walls, floor coverings or finish, closets, cabinets, shelving, individual fixtures, plumbing and appliances, individual lighting and electrical fixtures, and other separate items of personal property exclusively serving such Unit, any of which may be removed, replaced, disposed of, or otherwise treated without affecting any other Unit or the ownership, use or enjoyment thereof. The individual ownership of each Unit shall further include the air conditioning compressor, together with all pipes, ducts, electrical wiring, conduits, and any other equipment connected thereto constructed on a pad or slab installed or constructed on the Project and designated on the Map in Exhibit B as an area of a Limited Common Element with respect to such Unit for the purpose of supporting such air conditioning compressor, together with such pad or slab. None of the land in the Project shall be separately owned, as all land in the Project shall constitute part of the “Common Elements” of the Project and shall be owned in common by the Owners of the Units in this Project.

The horizontal and vertical boundaries of each Unit are set forth in the Plat and Plans attached to the Declaration as **Exhibit A** and **Exhibit B**, as amended from time to time in accordance with the Declaration. As to some Units **Exhibits A** and **B** currently only show the horizontal Building Envelope and vertical airspace within which the Building for each Unit is to be constructed. Declarant, or an assignee of the Special Declarant Rights, or the Association may file a Boundary Designation in the Official Public Records to describe or redefine the boundaries of a Unit as contemplated, constructed, converted, combined or modified within the Regime. A Boundary Designation, upon recordation in the Official Public Records, shall automatically amend this Declaration for the purpose of defining the Unit, General Common Area, and/or Limited Common Area to which the Notice relates. The definition of Unit in this Section overrides the definition of “Unit” as set forth in § 82.052 of TUCA.

SCHEDULE 2.9 - SPECIAL DECLARANT RIGHTS
(See Section 2.9)

(a) Rights.

(1) **Changes to Units.** Declarant reserves the exclusive right but not the duty to amend the Plat and Plan to vary the size, shape, physical layout, or location of any unsold Unit or Units. If Declarant makes any significant variances in Unit sizes as set forth in **Exhibit C**, Declarant shall have a right and a duty to correspondingly adjust the percentages or fractions of ownership of the Common Elements of such Units remaining unsold. Declarant reserves the right to change, modify, or amend the vertical and horizontal description assigned to a Building, so long as Declarant is the owner of all Units constructed or contemplated to be constructed within the Building, which change, modification, or amendment may affect the size, appearance and/or mechanical, structural, and other components of the Building to which such vertical and/or horizontal description relates. In the event Declarant elects to change the vertical and/or horizontal description assigned to the Building, a Boundary Designation shall be filed in the Official Public Records, which Designation shall include a vertical and horizontal description of the Building actually constructed upon the Land, and shall automatically amend this Declaration for the purpose of defining and describing the Building.

Declarant reserves the right to change, modify, or amend the description assigned to any Unit or all of the Units, so long as Declarant, or any assignee of Special Declarant Rights, is the owner of such Unit or Units, which change, modification, or amendment may affect the size, appearance, mechanical, structural, and other components of the Unit(s) to which such horizontal description relates. In the event Declarant elects to change the description assigned to a Unit or Units owned by Declarant, Declarant shall file a Boundary Designation in the Official Public Records. In conjunction with any change, modification or amendment to a description assigned to a Unit or Units, the Notice may also reallocate the interest in Common Elements and percentage interest allocation assigned to all or any Units within the Regime.

Declarant hereby reserves the right to convert by amendment a Unit into additional Units, so long as Declarant, or any assignee of Special Declarant Rights, is the Owner of such Unit. Furthermore, in the event Declarant elects to convert a Unit into additional Units, Declarant may also amend this Declaration to designate portions of the converted Unit into Limited Common Elements assigned to each or either Unit which results from such conversion, so long as Declarant, or any assignee of Special Declarant Rights, is the Owner of the converted Unit. No assurance is given as to the number of additional Units Declarant may elect to create from a conversion of such Units, the dispersion of the Units resulted from such conversion, or the size of such Units. In the event Declarant, or any assignee of Special Declarant Rights, elects to convert a Unit into additional Units as provided herein, Declarant, or any assignee of Special Declarant Rights, shall file a Boundary Designation in the Official Public Records. In the event a Boundary Designation is recorded which converts any Unit identified herein into additional Units, such Units resulting from the conversion shall be fully assessable on the date the Unit created from such conversion is sold to a third party other than Declarant.

Declarant has also reserved the right to combine by amendment Units located in a Building into a single Unit or into Units which differ from the configuration of the combined Units, so long as Declarant, or any assignee of the Special Declarant Rights, is the Owner of all the combined Units. In the event Declarant elects to combine Units located in a Building into a single Unit or into Units which differ from the configuration of the combined Units, Declarant may also amend this Declaration to designate portions of the combined Units into Limited Common Elements assigned to the Unit(s) which result from such combination, so long as Declarant, or any assignee of Special Declarant Rights, is the Owner of the all of the combined Units. No assurance is given as to the number of Units or configuration Declarant may elect to create from a combination of Units, the dispersion of the Units resulted from such combination, or the size of such Units. In the event Declarant elects to combine Units into a single Unit or into Units with configurations which differ from the original combined Units, Declarant shall file a Boundary Designation in the Official Public Records.

(2) **Completion of Construction.** Declarant reserves the right to do what is reasonably necessary or advisable in connection with the completion of any work in the Project; and the right to construct and maintain the Common Elements and Units owned or controlled by Declarant, its successors or assigns, or its or their contractors or subcontractors, as may be reasonably necessary for the conduct of its or their business of completing any work and developing, selling, leasing, or managing of the Units in the Project.

(3) **Model Units and Offices.** Declarant reserves the right to maintain, for the above purposes, one or more onsite model units and sales/marketing offices, the size, number, location, and relocation of which shall be determined solely by Declarant; and the right of exclusive use of any sales office(s) and storeroom(s) located in Common Areas.

(4) **Signs.** Declarant reserves the right to maintain a sign or signs for the purpose of marketing the Units in the Project.

(5) **Plans.** Declarant reserves the sole right to approve or reject any plans and specifications submitted by a Unit Owner for approval as provided in **Section 3.8.**

(6) **Assessments.** Declarant reserves the assessment payments rights and duties as set forth in **Section**, as permitted by TUCA.

(7) **Landscaping.** Declarant reserves the right to modify the landscaping as provided in **Section 4.10.**

(8) **Parking.** Declarant reserves the right to designate and assign portions of the General Common Elements as parking for the exclusive use of any Owner of a Unit. Any parking spaces not specifically designated by the Declarant for the exclusive use of an Owner of a Unit will be under the exclusive control and administration of the Association at such time as the Declarant no longer owns any Unit within the Regime. The Board may thereafter assign parking spaces to any Owner or may use such parking spaces in a manner determined by the Board. Any designation and assignment of General Common Elements as parking will be memorialized by a written "**Assignment of Parking**" executed by an authorized representative of the Declarant (or Board if Declarant no longer owns any Units within the Regime) which shall identify the parking space(s) and the Unit assigned thereto. The Assignment shall be made a part of the corporate records of the Association and may not be terminated or modified without the consent of the Declarant (or a majority of the Board if Declarant no longer owns any Units within the Regime) and the Owner of the Unit to which such General Common Element parking was assigned.

(b) **Declarant's Mortgage.** Any mortgage of the Declarant's interest in the Project shall be deemed to include the Special Declarant Rights; and any foreclosure sale pursuant to such mortgage shall automatically convey the Special Declarant Rights.

(c) **Assignment.** The rights reserved by Declarant under this Declaration may be transferred as provided in §82.104 of TUCA. A conveyance by the Declarant shall not convey any Special Declarant Rights unless expressly so provided and unless the transferee also executes the conveyance instrument, as required by TUCA.

SCHEDULE 3.4 - USE RESTRICTIONS(See **Section 3.4**)

1. **Nuisances and Safety.** No unsafe, noxious, offensive, or illegal activity, or odor is permitted on the Project. No activity shall be conducted on the property which in the judgment of the Board of Directors might reasonably be considered as annoying to neighbors of ordinary sensibilities, or might be reasonably calculated to reduce the desirability of the property for quality of living. No exterior loudspeakers or flashing lights shall be allowed. No person may do anything that will increase insurance rates for the Project without the prior written consent of the Board or which may cause such improvements to be uninsurable or which may cause any policy to be canceled, or suspended or materially modified by the issuing company.

2. **Noise.** Condominium unit owners and occupants shall refrain from playing radios, televisions, stereos, and other electrical or mechanical devices so loud that they may be heard outside their condominium unit. Doors and windows must be shut when playing televisions, stereos and similar sound equipment at sound levels objected to by any unit owner, tenant, or management representative.

3. **Signs.** "For rent" signs and all other signs are absolutely prohibited and may not be exhibited anywhere in the project, including from the interiors of the units, except an 18 inch "for sale" sign may be displayed in a location approved by the Board. Board members and management company representatives may enter, without prior notice, and remove and throw away such signs. The foregoing shall be subject to Declarant's rights reserved under this Declaration, particularly in **Section 2.9**.

4. **Window Coverings.** All exterior windows shall be covered by white, ivory or tan blinds or drapes. No foil or other material objectionable in the reasonable judgment of the Board of Directors shall be placed in or next to any window or sliding glass door. Burglar bars that may be seen from the outside are prohibited.

5. **Storage.** No property may be stored temporarily or permanently on sidewalks, balcony walkways, stair landings, parking lots, or other Common Areas. Nothing may be stored in Common Areas except in areas approved by the Board.

6. **Vehicle Repair.** Except in an emergency when a vehicle is inoperable, no vehicle may be worked on outside of a garage or in a garage that has the garage door open. Otherwise, vehicles must be serviced or repaired off the property. Vehicles which have expired license plates, expired inspection stickers, flat tires or which are obviously inoperable due to missing parts are prohibited and shall be removed from the Property at the Owner's expense.

7. **Parking.**

a. Parking of vehicles, motorcycles and bicycles in grass areas, dirt areas, flower beds or sidewalks is prohibited. Owners and occupants shall park vehicles in their respective garages and/or parking spaces whenever possible. No Unit Owner or occupant shall park, store, operate or keep within or adjoining the Project any vehicle over 18 feet long. Bicycles and similar items may not be stored outside a Unit or on balconies or patios. Washing of vehicles is not allowed anywhere on the Project.

b. No vehicles may be parked or unattended in such a manner as to block the passage of other vehicles on the streets or fire lanes or in driveways to Units. No vehicle may be parked immediately outside of a garage, except in the parking space which is a part of the Limited Common Elements, is so designated for such use and does not result in the violation of the immediately preceding sentence. No vehicle shall be left parked and unattended, in the street, along the curb, or in driveway areas in such a manner as to prevent the ingress and/or egress of emergency vehicles (*i.e.*, fire, EMS) or service vehicles (*i.e.*, refuse trucks). No inoperable vehicle may be stored on the Project.

8. **Anti-Theft Alarms.** Owners and occupants who have vehicles with anti-theft systems shall not allow the alarms or horns to go off and disturb other persons in the Project for more than three minutes; and any vehicle violating the three-minute rule shall be deemed to be illegally parked and subject to immediate towing, without prior notice to the vehicle owner or operator, by the Association under the Texas towing statutes. The Association may, without liability to the owner or operator of the vehicle, cut or disconnect any power source to such alarm or horn to avoid having to tow the vehicle.

9. **Towing Illegally Parked Vehicles.** Vehicles parked in violation of Association rules may be removed and stored without permission of the vehicle's owner or operator. Notice and removal shall be in accordance with statutory requirements. A Unit Owner is liable for all costs of towing illegally parked vehicles of the Unit Owner, its family, guests or tenants.

10. **Trash.** Garbage or trash may not be stored or thrown outside the disposal areas provided for such purposes. Dumpsters provided by the Association must be used for disposal of garbage and trash.

11. **Pest Control.** The Association does not have responsibilities for pest control inside units. However, the Association shall have the right to enter and exterminate an owner's unit, at the owner's expense, if the owner's failure to control pests inside its unit is adversely affecting other units.

12. **Lighting.** All lighting on the Project will be shielded and oriented downward so that the cone of light falls on the Project.

13. **Antennas.** No exposed exterior television or radio antennas or satellite dishes may be installed anywhere on the Project unless applicable law requires otherwise and then only in strict accordance with rules and regulations promulgated by the Board.

14. **No Alterations.** Except with the written consent of Declarant or 67% of the Association members, no Owner or other person shall make any alteration, modification, or improvement to the Common Elements; no additional lighting, awnings, patio covers, or other devices may be added to the Common Elements without approval by the Board; and no structure, equipment, or object may be added or removed to the Common Elements by any Owner or other person without approval by the Board.

15. **No Drilling.** No drilling, digging, quarrying, or mining operation of any sort shall be permitted on the Project.

16. **Care During Construction.** An Owner who is having a Unit or other structure worked on, repaired, or remodeled shall take reasonable and necessary precautions to prevent damage to the Common Area (including any streets) caused by construction companies, workmen, suppliers, or service companies working on or delivering materials to or removing materials from the work site in the Owner's Unit. Such Owner shall be liable to the Association for any damages to the Common Area and for costs of cleaning up or replacing property in the Common Area destroyed or damaged by such construction companies, workmen, suppliers, or service companies. Such Owner shall be liable to the respective Unit Owners for any damage to another Owner's Unit and for any costs of cleaning up or replacing property which may be destroyed or damaged by such construction companies, workmen, suppliers, or service companies and the Association shall have the right to repair such damage at the Association's expense, in which event the cost of repair shall be owed to the Association by the Unit Owner who caused the damage or whose construction company, workmen, suppliers, or service company caused the damage.

17. **No Temporary Structures.** No structure of a temporary character, trailer, tent, shack, garage, barn or other outbuildings is permitted on the Project, temporarily or permanently, except with the prior written consent of the Board.

18. **Criminal Activity.** While on the condominium project, no person may violate any criminal laws, health codes or other applicable laws.

19. **Persons Who May Use Common Area.** Common Areas may only be used by Declarant (during construction of Units), Unit Owners, and their tenants, and invitees.

20. **Special Declarant Rights.** In order that Declarant may develop and sell the Project, no Unit Owner nor the Association shall do anything to interfere with Special Declarant Rights contained in **Section 2.9** and **Schedule 2.9**.

21. **Rules and Regulations.** All persons shall comply with the Association's Rules and Regulation as provided in **Section 4.4** and in **Exhibit H**, as amended from time to time.

B2. Exhibit A – Legal Description.**EXHIBIT A**

(See Schedule 1.0 - Section 1.13 of Declaration)

LEGAL DESCRIPTION OF PROPERTY**B3. Exhibit B – Plat and Plan of the Property and Certificates.****EXHIBIT B**

(See Schedule 1.0 - Sections 1.10, 1.21(f), 1.43 and 2.1 of Declaration)

**PLAT AND PLAN OF THE PROPERTY
SUBJECT TO THE DECLARATION****ARCHITECT'S CERTIFICATE**

TO: All buyers, and their lenders and title companies

I hereby certify to the above persons, their successors and assigns, that:

A. Items Depicted. These plans depict among other matters the following:

1. These plans are intended to serve as a plan of the “ _____ Office Park”, A Condominium project located at _____ Street, in the City of _____, _____ County, Texas, prepared for the purpose of compliance with §82.059 of the Texas Uniform Condominium Act of the Texas Property Code.
2. All dimensions shown on the plans represent the distance between the exterior face surface of exterior outside walls of each unit to the interior face surface of the sheetrock material at the party wall dividing the units. For the purposes of this description of interior space, the off-set distances at doors and windows, except at window boxes, were not considered.
3. The dimensions in each unit represent a finding at a general condition which is then used as a constant and do not represent an exhaustive effort to verify the same condition at multiple locations.
4. Interior walls and partitions within each unit have not been shown on the plans.
6. Entryway, covered porches, covered patios are part of the Units.
7. Exterior window boxes, doorsteps, when serving only a particular Unit are part of the Units and are included in the dimensions.
8. Each Unit is independent such that no Unit has another Unit above or below and therefore vertical boundaries of the Units are not shown on these plans.

9. [OTHER NOTES AS THE ARCHITECT DEEMS APPROPRIATE]

_____.

B. Plan Criteria. The undersigned does hereby certify that these plans contain all information required to be shown on condominium plans under §82.059(d) of the Texas Uniform Condominium Act, Chapter 82 of the Texas Property Code. These dimensions and General **Notes 1** through **[10]** above are to the best of my knowledge accurate as represented.

_____, 2013

_____.

_____, Texas _____
() _____ (voice)
() _____ (fax)
_____ (email)

[SEAL]

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2013, by _____.

NOTARY PUBLIC, State of Texas

SURVEYOR'S CERTIFICATE

TO: All buyers, and their lenders and title companies

I hereby certify to the above persons, their successors and assigns, that on _____, 2013:

A. Items Depicted. The Survey depicts among other matters the following:

1. **Survey.** This survey was made on the ground as per the field notes shown on this survey and correctly shows the matters listed in **Paragraphs A 2-10** below; and is an accurate on-the-ground instrument survey titled " _____ " Job No. _____ (the "**Survey**") of the premises (the "**Property**") was conducted under my direction according to local professional practices. The Survey shows all perimeter land boundaries of the condominium as required by §82.059 of the Texas Uniform Condominium Act, Chapter 82 of the Texas Property Code.
2. **Correct.** The Survey, the information, and the metes and bounds description, including courses and distances shown thereon, are correct. The survey correctly shows (i) the boundaries and areas of the Property and the location and type of improvements thereon (if any); (ii) the location of all rights-of-way, easement and other matters of record (or of which I have knowledge or have been advised, whether or not of record) affecting the Property; (iii) all abutting dedicated public streets providing access to the Property together with the width and name thereof.
3. **Monuments.** All monuments shown on the Survey actually exist, and the location, size and type of materials thereof are correctly shown.
4. **Boundary and Possession Lines.** The title lines and lines of actual possession of the Property are the same, except as shown.
5. **Easements.** There are no easements, rights-of-ways, old highways or abandoned roads, lanes, driveways or uses affecting the Property appearing from a careful physical inspection of the same, other than those shown and depicted on the Survey. The Survey shows the location of all easements serving or burdening any portion of the condominium, and the location of any underground utility line that is actually known by the Surveyor at the time of filing the declaration to have been constructed outside a recorded easement.
6. **Encroachments.** Except as shown on the Survey, there are no visible above-ground encroachments upon the Property by improvements on adjacent property; visible above-ground encroachments on adjacent property, or roads by any improvements on the Property.
7. **Conflicts.** Except as shown and specifically identified as such on the Survey, there are no visible discrepancies, conflicts, shortages in area or boundary line conflicts.
8. **Easements.** All recorded easements and other exceptions, as noted in _____ Title Company Commitment GF # _____ have been correctly platted on the survey.
9. **Utility Improvements.** The Survey shows the location of any visible telephone, telegraph, electric or other power lines, wires and poles on the Property.
10. **Improvements.** The location and dimensions of any vertical Unit boundaries not shown or projected on recorded plans and the Units' identifying number. The location, with

reference to established data, of any horizontal Unit boundaries not shown or projected on recorded plans and the Unit's identifying number. The location and dimensions of Limited Common Elements, other than those described by §§ 82.052(2) and (4) of the Texas Uniform Condominium Act. The distance and bearings locating each building from all other buildings and from at least one boundary line of the real property constituting the condominium.

B. Survey Criteria. This Survey conforms to the (1) current standards promulgated by the Texas Board of Professional Land Surveying and (2) conforms to the current Texas Society of Professional Surveyors Standards and Specifications for a Category 1A, Condition I Land Title Survey. This Survey contains all information required to be shown on a condominium plat under §82.059 of the Texas Uniform Condominium Act, Chapter 82 of the Texas Property Code.

[SEAL]

_____, Inc.
_____ Street
_____, Texas _____
(____) _____ (voice)
Registered Professional Land Surveyor
Texas Registration No. _____

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2013, by _____.

NOTARY PUBLIC, State of Texas

B4. Exhibit C – Percentage of Ownership of Common Areas.**EXHIBIT C****(See Schedule 1.0 - Sections 1.16, 2.2, and 5.5(a) of Declaration)****PERCENTAGE OF OWNERSHIP
OF COMMON ELEMENTS**

The Association and Declarant specifically disclaim and do not warrant that the Units contain the exact square feet stated below.

Unit	Vote	Interest in Common Interest
A	1	9.09090909
B	1	9.09090909
C	1	9.09090909
D	1	9.09090909
E	1	9.09090909
F	1	9.09090909
G	1	9.09090909
H	1	9.09090909
I	1	9.09090909
J	1	9.09090909
K	1	9.09090909
	11	100%

B5. Exhibit D – Certificate of Formation of the Association.

EXHIBIT D

(See Section 4.3 of Declaration)

**CERTIFICATE OF FORMATION OF
_____ OFFICE PARK CONDOMINIUM OWNERS' ASSOCIATION, INC.**

ARTICLE ONE: NAME

The name of the corporation is “ _____ OFFICE PARK CONDOMINIUM OWNERS' ASSOCIATION, INC.”

ARTICLE TWO: NON-PROFIT

The corporation is a nonprofit corporation. The purposes for which the non-profit corporation is formed is to act as the condominium association for RiverPlace Office Condominiums, including those purposes set forth in Section 82.102 of the Texas Uniform Condominium Act.

ARTICLE THREE: DURATION

The period of its duration is perpetual.

ARTICLE FOUR: PURPOSES

The purposes for which the Association is organized are to represent the interests of members of _____ Office Park Condominium Owners' Association, Inc.

ARTICLE FIVE: MEMBERSHIP

The corporation shall be a membership corporation. The membership of the corporation shall be determined as provided in the bylaws, and such bylaws shall define the voting rights, powers and privileges of the members. No member of the corporation shall have the right of cumulative voting at any election of directors or upon any other matter.

ARTICLE SIX: REGISTERED AGENT AND OFFICE

The name of its initial registered agent is _____, and the street address of the initial registered office of the corporation is _____ St., _____, Texas _____.

ARTICLE SEVEN: BOARD OF DIRECTORS

The business and affairs of the corporation shall be managed by a Board of Directors in which shall reside all rights, powers, authority and responsibility with respect to the management and affairs of the corporation. The initial Board who shall serve as directors of the corporation until their successors are duly elected and qualified are (1) _____, whose address is _____, _____, Texas _____; (2) _____, whose address is _____ Street, _____, Texas _____; and (3) _____, whose address is _____, _____, Texas _____.

The direction and management of the affairs of the corporation and the control and disposition of its properties and funds shall be vested in a Board of Directors composed of such number of persons as the bylaws may fix. Until changed by the bylaws the original number of directors shall be three (3). The

directors shall continue to serve until their successors are selected in the manner provided in the bylaws of the corporation.

ARTICLE EIGHT: INDEMNIFICATION

The corporation shall indemnify any director or officer or former director or officer of the corporation for expenses and cost (including attorney’s fees) actually and necessarily incurred by him in connection with any claim asserted against the director or officer, by action in court or otherwise, by reason of being or having been the director or officer, except in relation to matters as to which the officer or director is guilty of gross negligence or willful misconduct in respect of the matter in which indemnity is sought.

ARTICLE NINE: LIMITED LIABILITY

No director shall be liable to the corporation or its members for monetary damages for an act or omission in the directors' capacity as a director, except that this Article does not eliminate or limit the liability of a director to the extent the director is found liable for:

- (1) a breach of the director's duty of loyalty to the corporation;
- (2) an act or omission not in good faith that constitutes a breach of duty of the director to the corporation or an act or omission that involves intentional misconduct or a knowing violation of the law;
- (3) a transaction from which the director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office; or
- (4) an act or omission for which the liability of the director is expressly provided by an applicable statute.

Any repeal or modification of this Article shall be prospective only and shall not adversely affect any limitation on the liability of a director of the corporation existing at the time of such repeal or modification.

ARTICLE ELEVEN: DISSOLUTION

Upon the dissolution of the corporation, after paying or making provision for the payment of all of the liabilities of the corporation, the property of the corporation shall be applied and distributed by the Board of Directors, pursuant to a plan of distribution, to the members of the corporation at the time of such winding up and termination on a pro rata basis consistent with the requirements of the Texas Business Organizations Act and the Texas Uniform Condominium Act.

ARTICLE TWELVE: ORGANIZER

The name and street address of the sole organizer is _____, _____ St., _____, Texas _____.

Dated: _____, 2013.

B6. Exhibit E – Bylaws.

EXHIBIT E

(See Section 4.3 of Declaration)

**BYLAWS OF
_____ OFFICE PARK CONDOMINIUM OWNERS’ ASSOCIATION, INC.**

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BYLAWS OF
_____ OFFICE PARK CONDOMINIUM OWNERS' ASSOCIATION, INC.

ARTICLE I. NAME AND LOCATION

1.1 Name. The name of the Association is "_____" Office Park Condominium Owners' Association, Inc.," hereinafter referred to as the "**Association.**"

ARTICLE II. DEFINITIONS

2.1 Definitions The definitions of all terms herein shall be the same as those in the Declaration of Covenants, Conditions and Restrictions for _____ Office Park, A Condominium, in _____ County, Texas.

ARTICLE III. MEETING OF MEMBERS

3.1 Annual Meetings. The annual meeting of the members shall be held each year between September 1 and December 31 at a place designated by the Board.

3.2 Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, upon written request of a majority in number of its members, or upon the request of one member of the Board of Directors where a change in the exterior of a Building or condominium unit is requested by anyone, or by members of the Association owning at least 2 Units in the Association. The place of the meeting shall be as stated in the notice.

3.3 Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the discretion of the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 14 days before such meeting to each member entitled to vote, addressed to the member's address last appearing on the books of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. Such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as set out above. Upon request, notice of such meeting shall also be mailed to First Mortgagees.

3.4 Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, the votes of 51% of the Units shall constitute a quorum for any action except as otherwise provided by the Certificate of Formation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members present shall have power to recess the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented.

3.5 Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Unit.

3.6 Voting. Secret ballots shall be utilized upon the request of any member.

ARTICLE IV. BOARD OF DIRECTORS

4.1 Number. The affairs of this Association shall be managed by a Board of at least 3 directors, who need not be members of the Association and who are elected annually. The number may be increased upon a majority vote of the Association membership.

4.2 Term of Office. The members shall elect all directors for a term of 1 year, beginning from the date of their election to the date of the election of their successor.

4.3 Removal; Resignations. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

4.4 Compensation. No director shall receive compensation for any service he may render to the Association in his capacity as a director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

4.5 Action Taken Without a Meeting. Subject to Section 6.4 below, the directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

4.6 Voting. Secret ballots shall be utilized upon request of any Board member.

4.7 Limited Liability and Indemnification. The directors shall be entitled to the limited liability and indemnification provisions contained in the Declaration.

ARTICLE V. ELECTION OF DIRECTORS

5.1 Nomination. Nomination for election to the Board of Directors may be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. If appointed, the Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee may be appointed by the Board of Directors prior to each annual meeting of the members; and if appointed, such appointment shall be announced to the membership at least 30 days prior to the annual meeting. The Nominating Committee may make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Members or non-members of the Association may be nominated for the Board of Directors.

5.2 Election. Election to the Board of Directors shall be by secret written ballot if requested by any member. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI. MEETINGS OF DIRECTORS

6.1 Regular Meetings. Regular meetings of the Board of Directors shall be held monthly at such place and hour as may be fixed from time to time by the Board. Any member desiring to attend monthly meetings shall contact the President or the Association's management company who shall in return notify such member of the time and place of the next monthly meeting.

6.2 Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than 3 days notice to each director.

6.3 Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

6.4 Open Meetings. All members of the Association shall receive at least 5 days prior notice of the Regular Meetings of the Board of Directors and the same amount of notice of the Special Meetings of the Board of Directors as is received by the members of the Board of Directors. Every member of the Association shall have the right to attend both Regular Meetings and Special Meetings of the Board of Directors. The Board of Directors shall have the right to adjourn a meeting, whether Regular or Special, of the Board of Directors and reconvene in closed executive session to consider actions involving personnel, pending litigation, contract negotiations, enforcement actions, matters involving the invasion of privacy of members of the Association, or matters that are to remain confidential by request of the affected parties and agreement of the Board of Directors, provided the general nature of any business to be considered in an executive session shall first be announced at such meeting.

6.5 Electronic or Telephonic Meeting. A meeting of the Board of Directors may be held by any method of communication, including electronic and telephonic, provided:

(a) **Notice.** Notice of the meeting has been given in accordance with subparagraph 6.5(d) below;

(b) **Audible Attendance.** Each director may hear and be heard by every other Director;

(c) **Excluded Purposes.** The meeting does not involve voting on a fine, damage assessment, appeal from denial of architectural control approval, or suspension of a right of a particular Association member before the member has an opportunity to attend a board meeting to present the member's position, including any defense, on the issue;

(d) **Agenda.** Notice of such proposed meeting, which must include the general nature of the purpose of such meeting, is given to each member of the Association at least 24 hours in advance thereof; and

(e) **Minutes.** A record of the Board action taken at such meeting is filed with the minutes of Board meetings.

ARTICLE VII. POWERS AND DUTIES OF THE BOARD

7.1 Powers. The Board of Directors shall have power to exercise for the Association all powers, duties and authority vested in or delegated to this Association, and not reserved expressly and exclusively to the membership by other provisions of these Bylaws, the Certificate of Formation, or the Declaration.

7.2 Duties. It shall be the duty of the Board:

(a) **Minutes.** To cause to be kept a complete record of all its acts and corporate affairs and to present a report thereof to the members at the annual meeting of the members, or at any special meeting when such report is requested in writing by the owners of at least 2 Units;

(b) **Supervision.** To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) **Assessments.** To (1) fix the amount of the Common Assessment for each Unit pursuant to the procedure in the Declaration; (2) send written notice of Common Assessments to every Owner; and (3) collect Common Assessments and enforce Common Assessments, all pursuant to procedures and limitations as set forth in the Declaration;

(d) **Certificates.** To issue resale certificates, loan eligibility certificates, and verification certificates setting forth whether or not any Common Assessment has been paid. A

reasonable charge may be made by the Board for the issuance of these certificates and other written documents provided by the Association. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) **Insurance**. To procure and maintain adequate liability and hazard insurance on Buildings, Common Elements and on property owned by the Association; cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate or necessary;

(f) **Maintenance**. To cause the Common Elements to be maintained; and

(g) **General**. To carry out all other duties of the Association or Board under the Declaration.

ARTICLE VIII. OFFICERS AND THEIR DUTIES

8.1 Enumeration of Offices. The Officers of this Association shall be a President and a Vice President each of whom shall at all times be members of the Board of Directors, together with a Secretary and a Treasurer.

8.2 Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

8.3 Term. Each officer of this Association shall be elected annually by the Board and each shall hold office for approximately one year until the election of his successor, unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

8.4 Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

8.5 Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, the acceptance of such resignation shall not be necessary to make it effective.

8.6 Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

8.7 Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 8.4 of this Article.

8.8 Duties. The duties of the officers are as follows:

(a) **President**. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other legal instruments.

(b) **Vice-President**. The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) **Secretary**. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members, as well as other records of the Association; serve notice of meetings of the Board and of the members; keep appropriate current records showing the

members of the Association together with their addresses, and shall perform such other duties as required by the Board. These duties, with approval of the Board, may be delegated to the Association management company.

(d) **Treasurer.** The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant or CPA at the completion of each fiscal year; and shall prepare an annual budget for the forthcoming year and a statement of income and expenditures for the previous year, to be presented to the membership at its regular annual meeting. The Treasurer shall also be responsible for supervising billings. These duties, with approval of the Board, may be delegated to the Association management company.

ARTICLE IX. COMMITTEES

The Association shall appoint any committees required by the Declaration or these Bylaws. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out the purposes of the Association.

ARTICLE X. BOOKS AND RECORDS

The books, records and papers of the Association shall at all times be subject to inspection by any member during reasonable business hours. The Declaration, the Certificate of Formation and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI. ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association Common Assessments which are secured to the full extent provided by law, by a continuing lien upon the property against which the assessment is made. The collection and enforcement procedures shall be as set forth in the Declaration.

ARTICLE XII. CORPORATE SEAL

The issuance of a corporate seal shall be unnecessary and is not required under Texas law.

ARTICLE XIII. AMENDMENTS

These Bylaws may be amended, at a regular or special meeting of the members, by a vote of 67% of the votes which members present in person or by proxy are entitled to cast. Thirty days advance written notice to members is required for Bylaws changes. Changes in the Declaration shall be pursuant to the procedures set forth therein.

ARTICLE XIV. MISCELLANEOUS

The fiscal year of the Association shall be the calendar year.

_____, President of the Association

_____, 2013

Date of Adoption

B7. Exhibit F – Management Certificate.

EXHIBIT F

(See Section 7.9 of Declaration)

MANAGEMENT CERTIFICATE

(check as appropriate)

Commencement, Change, or Termination

for Condominium Project, Townhome Project, or Residential Subdivision

The undersigned Manager or management company gives notice that (*check one*):

- it has commenced management of the Association named below; or
- it is continuing management of the Association but is refileing this management certificate because information in an earlier certificate needs updating; or
- it is no longer managing the Association.

1. Exact name of owners' association: _____ Office Park Condominium Owners' Association, Inc.
2. Name of project or subdivision: _____ Office Park
3. Address of project: _____ Street
(street address of project if condominium or townhome project)
_____, Texas _____
4. Exact name of declaration of covenants, conditions and restrictions: Covenants, Conditions, and Restrictions for _____ Office Park, A Condominium
5. Declaration recording data: Instrument No. _____, Official Records, _____ County, Texas
6. Name of managing agent: _____
(name of management company (or name of individual if not a management company))
7. Mailing address of managing agent: _____
street address or P.O. Box address
_____, Texas _____
city state zip
8. Person to contact in management company: (ask for person in charge of the association named above)

B8. Exhibit G – Consent of Declarant's Mortgagee.

EXHIBIT G

(See Section 8.8 of Declaration)

CONSENT OF DECLARANT'S MORTGAGEE

The undersigned financial institution, being the owner and holder of an existing mortgage lien upon and against the land and property described as the Property in the Declaration of Covenants, Conditions and Restrictions for _____ Office Park, A Condominium executed by Condominium Developer , Ltd., as Declarant, as to the property located at _____ Street, _____, Texas, hereby consents to the Declaration and to the recording of same for submission of said property to a Condominium Regime pursuant to the Texas Uniform Condominium Act.

This consent shall not be construed or operate as a release of said mortgage or liens owned and held by the undersigned, or any part thereof.

Lienholder:

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2013, by _____, as Vice President of _____, a _____, on behalf of said _____.

Notary Public for the State of Texas

B9. Exhibit H – Rules and Regulations.

EXHIBIT H

(See Section 4.4(a) of Declaration)

**RULES AND REGULATIONS
OFFICE PARK**

(applicable to all Owners, occupants, and invitees)

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**POLICIES FOR
_____ OFFICE PARK, A CONDOMINIUM**

(applicable to all Owners, occupants, and invitees)

POLICIES IN GENERAL. Our Owners Association has adopted the following rules to help maximize enjoyment, maintain values, and assure the continued aesthetic beauty of our community. The rules apply to all Owners and their families, tenants, and guests. The rules are automatically a part of each lease (even if they are not attached), and each Owner is responsible for making sure Owner's tenants have a copy of the rules and follow them. You are encouraged to ask your neighbors to follow the rules.

COMMUNICATIONS. Please direct any repair requests, complaints, or rule violations to

Attn: _____
_____ St.
_____, Texas _____
Telephone: (____) _____
Fax: (____) _____

To avoid delay and telephone tag problems, you are encouraged to put your suggestions or complaints in the "Requests and Suggestions" box by the mailboxes.

ENFORCEMENT. The rules will be strictly enforced. If the rules are violated by any occupant or guest of the Owner's Unit, the Owner will be responsible for corrective action, damages, and fines.

[Note to new Owners: The following policies are partly from the Declaration and partly adopted by action of the Board of Directors. All Declaration provisions apply – even if not set forth below. Except for provisions of these policies that come from the Declaration, the policies may be changed or added to by the Board.]

**POLICIES APPLICABLE TO
ALL OWNERS, OCCUPANTS, AND GUESTS**

1. **Security, Safety, and Lighting.** Neither the Association nor the Association's management company provides or warrants security. Each occupant is responsible for the security of himself and his family and guests. Each Unit has (a) keyless deadbolts on all entry doors, (b) keyed deadbolts on all entry doors, (c) pin locks on all sliding glass doors, and (d) door viewers on all exterior door. Consult management regarding your statutory security device obligations as a landlord if you ever rent your Unit. These locks provide added protection for occupants while inside the Unit.

Occupants are requested to report Common Area lighting problems or hazardous conditions immediately to the Association's management company representative. The Association cannot and does not check exterior lighting on a daily basis. Unit occupants must assume that electronic or mechanical devices may malfunction from time to time.

2. **Storage of Property on Private Patios or Balconies.** No items may be stored temporarily or permanently on private patios or balconies which can be viewed from Common Areas without the prior approval of the Board or the Manager.

3. **Storage of Property in Common Areas.** No property may be stored temporarily or permanently on sidewalks, balcony walkways, stair landings, parking lots, or other Common Areas without the prior approval of the Board or the Manager. Management company employees and service personnel, Board members and persons designated by them may remove and throw away any property stored in violation of this rule.

4. **Property Inside Units.** The Association has the right and the responsibility to control the visual attractiveness of the Property, including the right to require removal of objects which are visible from the Common Areas and which detract from the Property's appearance. Blinds and drapes must be in good repair, hung properly, and comply with **Rule 6** regarding color and materials. Storage of boxes and personal property in garages is prohibited if such storage prevents the parking of the Owner's or occupant's vehicle(s) in the garage.

5. **Trash.** Garbage, rubbish or cuttings shall not be left or deposited, even temporarily, on any Common Areas or patios. All of such refuse must be placed in the dumpster in the parking lot.

6. **Window Coverings.** All exterior windows shall be covered by white, ivory or tan blinds or drapes. No foil or other material objectionable in the reasonable judgment of the Board of Directors shall be placed in or next to any window or sliding glass door. Burglar bars may not be installed.

7. **Signs.** "For sale" or "for rent" signs and all other signs are prohibited and may not be exhibited anywhere in the Project, including from the interiors of the Units, except at a location approved by the Board. Board members and management company representatives may enter, without prior notice, and remove and throw away such signs. The policy regarding signs is subject to exceptions for the Declarant (developer) under the Declaration.

8. **Mailboxes.** The Board of Directors has the exclusive right to designate the type, size and location, and signage on mailboxes. Names on the outside of mailboxes are not allowed and may be removed by management without prior notice because publicly identifying names with a particular Unit increases the risk of crime for occupants of the Unit.

9. **Nuisances.** No unsafe, noxious, offensive, or illegal activity, or odor is permitted on the Project. No activity shall be conducted on the Property which in the judgment of the Board of Directors might reasonably be considered as annoying to persons of ordinary sensibilities, or might be reasonably calculated to reduce the desirability of the property for business. No exterior loudspeakers or flashing

lights shall be allowed. No person may do anything that will increase insurance rates for the Project without the prior written consent of the Board or which may cause such improvements to be uninsurable or which may cause any policy to be canceled, or suspended or materially modified by the issuing company.

10. Antennas. No exposed exterior television or radio antennas or satellite dishes may be installed anywhere on the Property unless otherwise required by applicable law and then only in strict accordance with rules and regulations promulgated by the Board.

11. Vehicle Repair. Except in an emergency when a vehicle is inoperable, no vehicle may be worked on outside of a garage or in a garage that has the garage door open. Otherwise, vehicles must be serviced or repaired off the Property. Vehicles which have expired license plates, expired inspection stickers, flat tires or which are obviously inoperable due to missing parts are prohibited and shall be removed from the Property at the Owner's expense. Such vehicles must be removed from the Property immediately upon notice from any Board member or management representative.

12. Parking.

(i) Parking of vehicles, motorcycles and bicycles in grass areas, dirt areas, flower beds or sidewalks is prohibited. No Unit Owner or occupant shall park, store, operate or keep within or adjoining the Project any vehicle over 18 feet long.

(ii) No vehicles may be parked or unattended in such a manner as to block the passage of other vehicles on the streets, in the fire lanes, or in driveways to Units. No vehicle shall be left parked and unattended, in the street, along the curb, or in driveway areas in such a manner as to prevent the ingress and/or egress of emergency vehicles (*i.e.*, fire, EMS) or service vehicles (*i.e.*, refuse trucks). No inoperable vehicle may be stored on the Project.

(iii) The Developer of the Regime has reserved in the Declaration, the right to designate and assign portions of the General Common Elements as parking for the exclusive use of any owner of a unit. Any parking spaces not specifically designated by the Developer for the exclusive use of an owner of a unit will be under the exclusive control and administration of the Association at such time as the Developer no longer owns any Unit within the Regime. The Association may thereafter assign parking spaces to any owner or may use such parking spaces in a manner determined by the Board. Any designation and assignment of General Common Elements as parking is required to be memorialized to a written "assignment of parking" executed by an authorized representative of the Developer (or Association if Developer no longer owns any units within the Regime) which identifies the parking space(s) and the unit assigned thereto. The assignment shall be made a part of the corporate records of the Association and may not be terminated or modified without the consent of the Developer, or after Developer or longer owns any units, the Board, and the owner of the unit to which such spaces were assigned.

13. Anti-Theft Alarms. Owners and occupants who have vehicles with anti-theft systems shall not allow the alarms or horns to go off and disturb other persons in the Project for more than three minutes; and any vehicle violating the three-minute rule shall be deemed to be illegally parked and subject to immediate towing, without prior notice to the vehicle owner or operator, by the Association under the Texas towing statutes. The Association may, without liability to the owner or operator of the vehicle, cut or disconnect any power source to such alarm or horn to avoid having to tow the vehicle.

14. Towing Illegally Parked Vehicles. Vehicles parked in violation of these rules may be removed and stored without permission of the vehicle's owner or operator. Notice and removal shall be in accordance with Chapter 684 of the Texas Transportation Code. A Unit Owner is liable for all costs of towing illegally parked vehicles of the Unit Owner, Owner's family, guests or tenants.

15. **Pest Control.** The Association does not have responsibilities for pest control inside Units. However, the Association shall have the right to enter and exterminate an Owner's Unit, at the Owner's expense, if the Owner's failure to control pests inside Owner's Unit is adversely affecting other Units.

16. **Criminal Activity.** While on the Project, no person may violate any criminal laws, health codes or other applicable laws. No tampering with water, lighting, sprinklers or other common elements is allowed.

17. **Utilities and Leaks.** Each Owner shall be responsible for promptly fixing leaks in all plumbing lines and, plumbing fixtures, inside Owner's Unit. A Unit Owner will be responsible for paying for damages and repairs necessitated by water leaks from Owner's Unit to adjacent Units. If the Association deems it necessary to repair any of these items inside an Owner's Unit, the Owner shall reimburse the Association for the cost of repair, plus 33% for administrative overhead.

18. **Utility Cutoff for Delinquencies.** The Board of Directors may suspend water service to the Owner's Unit if (1) the Owner is more than 45 days delinquent on any sums due the Association, (2) notice of the Association's intent to cut off the water is mailed to the Unit Owner at such Owner's last known address, certified mail, return receipt requested, and (3) the Owner has 30 days to appeal to the Board for a hearing on the Board's decision to terminate utilities. Association representatives will then try to contact the Owner by phone to warn him of utility termination of water service. The Board will consider a Unit Owner's written statement of extenuating circumstances of why water service should not be disconnected, or why water service should be reconnected. Entry into the interior of such Unit for such purpose is not authorized. The Association may charge the Unit Owner a disconnect fee of \$50 and a reconnect fee of \$100. The Association shall have the right to inform all tenants of the existence of this rule and send notices to Unit Owners and their tenants of the Board's intent to enforce the rule. The Board may also notify the Unit Owners and their tenants when the water has in fact been cut off.

19. **Eviction of Tenants.** Under the Declaration, the Association has the right to evict an Owner's tenant who substantially or repeatedly violates the Association's Rules and Regulations.

20. **Common Area Modifications.** No Owner may construct, alter, modify, landscape, trim, or otherwise perform any work whatever upon any of the Common Elements, Limited or General, without the prior written approval of the plans therefor by the Board of Directors. No exterior awning, shades, railings, or additional lighting may be installed.

21. **Common Area Repairs.** If the Common Area is in need of repair or maintenance, you are requested to contact the Association's management company immediately and leave a message about what needs to be fixed. This is especially important if exterior lighting or the automatic closing and latching devices on the pool gates are malfunctioning.

POLICIES APPLICABLE PRIMARILY TO OWNERS

22. **Leases.** Leasing of Units is allowed only if: (i) all leases are in writing and are subject to the provisions of the Declaration and Rules and Regulations, (ii) a copy of the then-current Rules and Regulations are provided to an Owner's tenant by the Owner at the beginning of the lease term, (iii) the Unit is not leased for residential, hotel or transient purposes or for less than 30 days, unless approved by the Board.

23. **Leasing of Units by Management Company.** The Association's management company may, with authority and compensation from a Unit Owner, lease, manage, and/or sell an Owner's Unit. In doing so, the Management Company does not represent or act for the Association. The management company is not paid by the Association to lease, manage, or sell individual Units for the Owners.

24. Fines. The Board may levy reasonable fines on Unit Owners for violating the Declaration or Rules. A minimum fine for each violation shall be \$100. Each day of violation may be deemed a separate violation by the Board. Fines may be assessed only if the Unit Owner is notified of the nature and approximate date of the violation and the amount of the fine. Any Unit Owner and/or Owner's family, guest or tenant who has been fined may appeal the fine and appear before the Board to ask that the fine be dropped and to explain why. In order to appeal a fine, the Owner must request such appeal in writing within 30 days of management's mailing of the fine notice to the Owner. There must be notice of the alleged infraction and fine to the Owner no later than 45 days from the alleged infraction.

25. Late Charges. The charge for late payment of monies to the Association shall be a one-time \$15 charge to cover the administrative costs, hassle, and overhead of collection (excluding attorney's fees). After the due date, interest shall run on unpaid sums due the Association at the rate of 18% per year compounded annually.

26. Hot Checks. The charge for a returned check is \$25 plus bank charges incurred by the Association.

27. Board Access to Units. The Association and Managing Agent shall have the right to enter an Owner's Unit for purposes of (1) inspection and (2) protection of property rights and quiet enjoyment of other Owners. The Association may request but not require Owners to furnish the Association with entry keys to their Units for such purposes. If the Unit is unoccupied at the time such entry is needed for such purposes, a locksmith may be used for gaining entry except in case of extreme emergency such as a fire. Emergency utility leaks may be repaired by the Association at the Owner's expense without prior notice. If the Unit is vacant and for sale or lease, the Unit Owner shall furnish a key to the Unit in a sealed envelope to the Association until it is sold or leased.

28. Fees for Special Services. Fees chargeable to Owners for special services (such as furnishing resale certificates, eligibility certificates, copies of declarations, copies of information sent to mortgagees, copies of accounting records, etc.) shall be set by the Board from time to time.

29. Change of Address. Owners shall keep the Association timely informed of their current addresses and any change of addresses.

30. Names and Addresses of Tenants. Owners shall notify the Association of current names and addresses of tenants of their respective Units.

31. Name and Address of New Owners. An Owner may not sell or convey Owner's Unit without all monies due and owing to the Association being paid in full; and if such Owner does sell, convey, or transfer Owner's Unit without paying such monies, such selling Owner shall remain liable for all monies accruing to the Association thereafter on such until such monies are paid in full. If an Owner sells or transfers Ownership of Owner's Unit and fails to notify the Association of the sale, the selling Owner shall continue to be liable for the assessments accruing after the sale or transfer until such time as the selling or transferring Owner notifies the Association in writing of the name and address of the new Owner.

32. Declaration Provisions. Many of these policies are directly from the Declaration of Covenants, Conditions, and Restrictions which apply to Owners and their occupants and guests. Some of the policies are in addition to what is in the Declaration. All Declaration provisions apply – even if not set forth below. Except for provisions of these policies that come from the Declaration, the policies may be changed or added to by the Board.

33. Non-Liability and Release of the Association, Officers, And Directors. AS PROVIDED IN THE DECLARATION APPLICABLE TO THE CONDOMINIUM PROJECT, THE DECLARANT, THE ASSOCIATION AND ITS OFFICERS AND DIRECTORS SHALL NOT BE LIABLE TO UNIT OWNERS, THEIR TENANTS, AND PERSONS ON THE PROPERTY AT THEIR INVITATION OR

WITH THEIR PERMISSION, FOR PROPERTY DAMAGE, PERSONAL INJURIES OR HARM RESULTING AT ANY TIME FROM NEGLIGENT CONDUCT OF THE DECLARANT, THE ASSOCIATION'S OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS RELATING TO ENFORCEMENT OR NONENFORCEMENT OF THE ASSOCIATION'S DECLARATION OR RULES. THIS INCLUDES BUT IS NOT LIMITED TO ANY DECLARATION PROVISIONS AND RULES REGARDING VEHICLE PARKING, COMMON AREA LIGHTING OR FENCING, COMMON AREA SECURITY, HAZARDOUS MATERIALS STORAGE, ELECTRICAL LINES, GAS LINE OR SANITARY SEWER SYSTEM FAILURES, ETC. UNDER THE DECLARATION, BY ACCEPTANCE OF A DEED OR LEASE, OWNERS AND TENANTS, AS WELL AS PERSONS ON THE PROPERTY AT THEIR INVITATION OR WITH THEIR PERMISSION, ARE DEEMED TO HAVE RELEASED THE DECLARANT, THE ASSOCIATION AND ITS OFFICERS AND DIRECTORS FROM SUCH LIABILITY, TO THE EXTENT AUTHORIZED BY LAW. THE FOREGOING DOES NOT RELEASE AN OFFICER OR DIRECTOR FROM LIABILITY FOR ACTS OR OMISSIONS WHICH ARE (1) A BREACH OF THE OFFICER'S OR DIRECTOR'S DUTY OF LOYALTY AND FIDUCIARY DUTY TO THE ASSOCIATION OF ITS MEMBERS, (2) ACTS OR OMISSIONS NOT IN GOOD FAITH OR INVOLVING INTENTIONAL MISCONDUCT OR A KNOWING VIOLATION OF LAW, (3) A TRANSACTION FROM WHICH AN OFFICER OR DIRECTOR RECEIVES AN IMPROPER BENEFIT, WHETHER OR NOT THE BENEFIT RESULTED FROM AN ACTION TAKEN WITHIN THE SCOPE OF THE DIRECTOR'S OFFICE, OR (4) AN ACT OR OMISSION FOR WHICH THE LIABILITY OF THE DIRECTOR IS EXPRESSLY PROVIDED BY STATUTE.

_____ Office Park Condominium Owners'
Association, Inc.

_____, President

_____, 2013
Date of Adoption

B10. Exhibit I – Architectural Guidelines.

EXHIBIT I

(See Section 3.8 of Declaration)

ARCHITECTURAL GUIDELINES

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

ARCHITECTURAL GUIDELINES

FOR

OFFICE PARK

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Owner Application for Architectural Control Committee Review

1. INTRODUCTION

A. Purpose of Architectural Guidelines. The Architectural Guidelines ("**Architectural Guidelines**") for _____ Office Park ("**Office Park**") provide an overall framework and comprehensive set of standards and procedures for the development of the Office Park in an orderly and cohesive manner. These standards have been developed to assist in the planning, constructing, landscaping, and modifying of Improvements within the Office Park. The standards set forth criteria for design, style, materials, colors and location of site improvements, landscaping, signage and lighting. In addition, the Architectural Guidelines establish a process for review of proposed construction and modifications to Building Sites to ensure that all sites within the Office Park are developed with the consistency and quality that attracted you to this development. To the extent the standards set forth in the Declaration (as hereinafter defined) differ from the standards set forth in these Architectural Guidelines, the more restrictive standard shall prevail.

B. Definitions Capitalized terms that are not defined in these Architectural Guidelines shall have the same meaning as set forth in the Declaration.

C. Governmental Permits To the extent that any applicable governmental ordinance, building code or regulation requires a more restrictive standard than the standards set forth in these Architectural Guidelines or in the Declaration of Covenants, Conditions, and Restrictions for _____ Office Park, A Condominium (the "**Declaration**"), the applicable governmental standards shall prevail. To the extent that any applicable governmental standard is less restrictive, the Declaration and the Architectural Guidelines (in that order) shall prevail.

D. Preparer. These Architectural Guidelines have been prepared by Condominium Developer, Ltd. (the "**Declarant**") and adopted by the Declarant pursuant to the Declaration. The Architectural Guidelines may be changed and amended to serve the needs of an evolving office park pursuant to the procedures set forth in the Declaration and in **Article 7** of these Architectural Guidelines.

E. Applicability of Architectural Review. Unless otherwise specifically stated in the Declaration or these Architectural Guidelines, all Plans and Specifications must be approved by the Architectural Control Committee before any construction or modification of Improvements on a Building Site begins.

Owners are responsible for ensuring compliance with all standards and procedures within these Architectural Guidelines. Owners are also governed by the requirements and restrictions set forth in the Declaration and any applicable Supplemental Declaration.

F. Review Structure. The Architectural Control Committee handles architectural control and review for the Office Park. The term "**Architectural Control Committee**," as used in these Architectural Guidelines, shall refer to the Architectural Control Committee.

G. Review Fees. When an Owner submits Plans and Specifications to the Architectural Control Committee for approval, the submission shall include a "**Review Fee**." The Review Fee shall be made payable to the Association as follows:

1. **Original Construction:** The original improvement of a Building Site.

Review fee - \$_____.

2. **Major Alteration or Addition:** A structural or site modification significant enough to warrant the issuance of a building permit by a governmental authority.

Review Fee - \$_____.

3. **Minor Architectural Modification or Addition:** Any architectural changes which require architectural review and approval as set forth in the Declaration or these Architectural Guidelines for which a governmental building permit is not required. For example, changing the exterior color scheme of the Building or installing landscaping which deviates from the typical landscaping plan.

Review Fee - \$_____.

4. **Changes:** Changes to or resubmission of approved or unapproved Plans and Specifications.

Review Fee - \$_____.

2. **ARCHITECTURAL REVIEW PROCEDURES**

A. **Review of New Construction.** Plans and Specifications for new construction upon any Building Site must be reviewed and approved by the Architectural Control Committee, and require the submission of an Application for Review and payment of the Review Fee. Owner shall submit to the Architectural Control Committee a conceptual or preliminary site layout and all of the Plans and Specifications listed in **Section 2.C**. Also, if available information concerning irrigation systems, drainage, lighting, landscaping, fencing, elevation, excavation, screening, and other features shall be provided. Owners may request an initial meeting with a representative of the Architectural Control Committee to address any questions about the Office Park and the Architectural Guidelines.

B. **Review of Modifications.** The review of modifications to existing structures or Improvements shall require the submission of an Application for Review to the Architectural Control Committee along with the required Review Fee. Depending on the scope of the modification, the Architectural Control Committee may require the submission of all or some of the Plans and Specifications listed below in **Section 2.C**. In the alternative, the Architectural Control Committee may require a less detailed description of the proposed modification. The review and approval of modifications shall take place within the same time periods as required for new construction.

C. **Plans and Specifications to be Reviewed.** The Architectural Control Committee shall require 3 full size sets of the following Plans and Specifications for new construction or a modification, in addition to the submission of an Application for Review and payment of a Review Fee:

1. **Floor Plan.** Showing building shell footprint, walkways and other impervious cover to be constructed, retaining walls, trash enclosures, HVAC equipment and utilities and the screening for same, interior spacing of rooms, and connections to driveways and walkways.

2. **Elevations.** Front, rear and side exterior elevations showing building materials and finishes, and indicating the maximum height of the Suite and other Improvements and relationship to existing and proposed finished grades.

3. **Roof Plan.** Showing slopes, pitches and gables, unless reflected in the other Plans and Specifications.

4. **Landscaping Plan/Site Plan.** Showing location of major excavations and trees (other than cedar) greater than 6" in diameter for which permission is requested to cut down.

5. **Other.** Such other information, data, and drawings as may be reasonably requested by the Architectural Control Committee, including, without limitation, total proposed impervious cover, screening and other features.

D. **Review Criteria; Variances.** In its review process, the Architectural Control Committee may consider the quality of workmanship and design, harmony of external design with existing structures,

location in relation to surrounding structures, topography, trees, and finish grade elevation, among other things. The Architectural Control Committee shall have the power to grant a variance from strict compliance when a deviation is deemed by the Architectural Control Committee to be desirable, so long as the variance does not result in a material violation of the Declaration. No variance shall be effective unless in writing and signed by the Architectural Control Committee.

E. Review Period. Each Application for Review shall be approved or disapproved in accordance with Sections 3.8 and other applicable provisions of the Declaration. The Architectural Control Committee is to notify the Owner of the Architectural Control Committee's approval or disapproval with specified objections or notice of need for additional information by sending a reply within 12 days of receipt of each submission by an Owner. The Architectural Control Committee may reply by mail, email, or fax.

F. Revisions. If the Architectural Control Committee disapproves of the Plans and Specifications, or any matter reflected thereby, the Review shall provide a written list of objections. Upon a disapproval, the Owner may submit revised Plans and Specifications to the Architectural Control Committee in accordance with Section 3.8 and other applicable provisions of the Declaration.

G. Governmental Approval. The review and approval of Plans and Specifications shall not be a substitute for compliance with the permitting and approval requirements of the City of _____, _____ County or other governmental authorities having jurisdiction over the Office Park. It is the responsibility of each Owner to obtain all necessary permits and approvals.

H. Compliance with Approved Plans and Specifications. All work must conform to approved Plans and Specifications. If it is determined by the Architectural Control Committee that work completed or in progress on any Building Site is not in compliance with these Architectural Guidelines or any approval issued by the Architectural Control Committee, the Architectural Control Committee shall, directly or through the Board, notify the Owner in writing of such noncompliance specifying in reasonable detail the particulars of noncompliance and shall require the Owner to remedy the same. If the Owner fails to remedy such noncompliance or fails to commence and continue diligently toward achieving compliance within the time period stated in the notice, then such noncompliance shall be deemed to be in violation of the Declaration and these Architectural Guidelines.

I. Changes After Approval. All proposed changes to Plans and Specifications, including changes that affect the exterior of any Building, grading, or landscaping, made after the approval of Plans and Specifications must be submitted to and approved in writing by the Architectural Control Committee prior to implementation. If a governmental authority having jurisdiction requires that changes be made to final construction Plans and Specifications previously approved by the Architectural Control Committee, the Owner must notify the Architectural Control Committee of such changes and receive approval from the Architectural Control Committee prior to implementing such changes.

J. Enforcement. In the event of any violation of these Architectural Guidelines, the Declarant or the Board may take any action set forth in the Bylaws or the Declaration, including the levy of a Special Assessment pursuant to the Declaration. The Declarant or the Board may remove or remedy the violation and/or seek injunctive relief requiring the removal or the remedying of the violation. In addition, the Declarant or the Board shall be entitled to recover the costs incurred in enforcing compliance and/or impose a fine against the Building Site upon which such violation exists.

3. ARCHITECTURAL STANDARDS.

The following specific criteria shall apply to all proposed or existing construction or modification within the Office Park unless Architectural Control Committee grants a variance.

A. Improvements. Owners shall secure Architectural Control Committee approval prior to construction, modification or removal of any Improvements.

B. Additions and Expansions. Architectural Control Committee approval is required for any addition to or expansion of a Building. Materials shall match or compliment the existing Building.

C. Architectural Standards. The exteriors of all Buildings must be designed to be compatible with the natural site features of the Building Site and to be in harmony with their surroundings including the land forms, the natural contours, local climate, vegetation, and the views. The Architectural Control Committee in its discretion can veto a design or suggest improvements to the design based on an analysis of the design and its compatibility with the standards established above and others in these Architectural Guidelines. The Architectural Control Committee will provide in writing reasons for its assessment and suggestions to the Owner.

D. Building Height. No Improvement greater than ___ feet or more than ___ stories in height may be constructed unless the Architectural Control Committee grants a variance. As applied to a Building, height is measured as specified by applicable regulations of _____ County, or if there are no such applicable regulations, as follows: from the average elevation from the existing grade(s), front to rear of the Building (1) to the highest point of the coping of a flat roof; (2) to the deck line of a mansard roof; (3) to the average height of the highest gable on a pitched or hipped roof; or (4) if none of the preceding, then to the highest point of the Building, excluding spires, antennae, ventilators, chimneys or other similar appurtenances not extending over 6 feet above the Building on which they are located. The Architectural Control Committee may consider the impact of the height of proposed Improvements on the views of other Owners and Building Sites in determining whether or not to approve Plans and Specifications.

E. Foundation. All foundations for Improvements shall, to the extent possible, conform to the topography of the Building Site on which the Improvements are being constructed. No areas under any foundation shall be exposed to views from any public or private street, driveway, walkway, or another Building Site.

F. Roofs. Rooflines must be appropriate for the architectural style. All roofs also must:

1. **Materials.** Be constructed of wood shingles, clay tile, cement tile, slate, stone, synthetic slate, non-reflective standing seam metal of earth tone colors (some ornamental use of copper roofing may be allowed in the discretion of the Architectural Control Committee) or other material approved by the Architectural Control Committee;

2. **Quality.** Be of high grade and quality;

3. **No reflection.** Not be reflective; and

4. **Height.** Not exceed the applicable governmental authority's required height limits unless a variance is granted by the applicable governmental authority, if required, and the Architectural Control Committee.

G. Reflective or Mirrored Glass. No reflective or mirrored glass shall be used on the outside areas of any Buildings or other Improvements.

H. Exterior Lighting. Exterior lighting or illumination of buildings, yards, landscaping and parking areas shall be designed and installed with adequate top and side shielding to avoid visible glare (direct or reflected) onto streets, driveways, walkways, and/or other Building Sites.

I. Fencing. The Architectural Control Committee, in its discretion, may allow or prohibit the construction of any proposed fence; may specify the materials of which any proposed fence must be constructed; and may from time to time adopt and revise recommendations regarding fencing.

J. Temporary Structures. Temporary structures other than those used during the initial construction of a Building and those permitted under the Declaration are prohibited.

K. Building Materials. All Buildings shall be of recognized standard construction quality. Exterior wall surfaces (exclusive of glass) shall be of a material specifically approved in writing by the Architectural Control Committee.

4. LANDSCAPING AND SITE STANDARDS.

Landscaping is an essential element of design at the Office Park. Preservation of existing vegetation in addition to the introduction of plants native to the area must be considered in establishing the landscape design.

A. Initial Landscaping. The Landscaping Plan included in the Plans and Specifications should include the following:

1. **Site Plan.** Site plan with property boundary, footprints of permanent structures, and locations and identifications of all existing trees.

2. **Identification.** Project location and owner's name.

3. **Scale.** North arrow, drawing scale, sheet number, and date.

4. **Plant Plan.** Planting plan showing locations of proposed and existing plants. Plants should be drawn at mature size.

5. **Irrigation Plan.** Irrigation plan.

6. **Construction Plan.** Construction details for all structural elements.

7. **Drainage Plan.** Proposed finished grading and drainage.

B. Drainage. Drainage of the Building Site must conform to all applicable governmental requirements. All drainage and grading must be indicated on the Plans and Specifications approved by the Architectural Control Committee. There shall be no interference with the established drainage pattern over any portion of the Office Park except as approved in writing by the Architectural Control Committee.

Landscape Plans and Specifications shall conform to the established drainage pattern, shall cause water to drain away from the foundation of the Building, and shall prevent water from flowing under or ponding near or against the house foundation. Water should flow fully over walkways, sidewalks or driveways into the street. The Architectural Control Committee may require a report from a drainage engineer as part of its review of any landscaping or improvement plan.

C. Condition and Repair of Improvements and Landscaping. All Improvements shall at all times be kept in good condition and repair and adequately painted or otherwise maintained by the Owner thereof. All irrigation systems shall be well maintained and operated at each Building to keep lawns and landscaping in a condition acceptable to the Association and appropriate to the season, weather conditions and water availability. All landscaping Plans and Specifications shall be prepared and implemented in order to prevent erosion to the maximum extent reasonably practicable. Each Owner shall keep all trees, shrubs, grass and plantings on such Owner's Building Site or Building Sites free of disease and insects consistent with good horticultural practice.

5. **CONSTRUCTION GUIDELINES.**

A. Inspections. Each Owner shall schedule and coordinate a review of all construction activities with the Architectural Control Committee to verify compliance with the approved Plans and Specifications. The Architectural Control Committee may also perform additional periodic informal inspections to ensure that work is being performed in conformance with approved Plans and Specifications and these Architectural Guidelines. All inspections are observations only and will not relieve any Owner of the obligation to obtain inspection approvals from Hidalgo County and other organizations having jurisdiction.

Job sites not in compliance with the Declaration, these Architectural Guidelines or approved Plans and Specifications will be issued a Notice of Violation and a punch list of items needed to bring the construction and/or job site into compliance. Further construction is prohibited until such punch list items have been corrected.

B. Construction Damages. Any damage to vegetation or Common Area facilities caused by any Owner, its contractors, sub-contractors, agents or employees must be corrected immediately to the satisfaction of the Architectural Control Committee and the owner of the damaged property. If the damage is not corrected, the Association may repair such damage and assess the costs of repair to the responsible Owner.

C. Conduct. The Owner must ensure that all contractors and subcontractors control the conduct of their employees while working in the Office Park. Loud music, profanity, and other behavior which is unbecoming of a quality operation will not be tolerated. Employees violating this policy may be asked to leave the Office Park and may be denied access at the construction entrance.

D. Site Cleanliness. All sites must be maintained in a clean and orderly manner at all times. The storage of materials, to the extent possible, shall be neat and orderly.

6. **ENFORCEMENT AND REMEDIES.**

Any violation of these Architectural Guidelines shall be deemed a violation of the Declaration. Any Owner at his own expense, Declarant, the Board, or the Architectural Control Committee shall have the right to enforce the provisions of these Architectural Guidelines, in compliance with and subject to the provisions of the Declaration.

7. **CHANGES AND AMENDMENTS TO THE ARCHITECTURAL GUIDELINES.**

These Architectural Guidelines may be amended as follows:

A. Amendment. These Architectural Guidelines may be amended, in whole or in part, upon the affirmative vote of a majority of the members of the Architectural Control Committee.

B. Recordation. Such amendment shall be recorded in the Official Records of Hidalgo County and may be posted in a prominent place within the Office Park.

C. Effective Date. All amendments shall become effective upon recording in the Official Records of Hidalgo County. Such amendments shall not be retroactive so as to apply to previous work or approved work in progress.

D. Declaration Controls. In no way shall any amendment to these Architectural Guidelines change, alter or modify any provision of the Declaration or any Supplemental Declaration. If, and to the extent, these Architectural Guidelines conflict with the Declaration, the Declaration shall control.

These Architectural Guidelines are hereby adopted on this _____ day of _____, 2013.

____ OFFICE PARK CONDOMINIUM
OWNERS' ASSOCIATION, INC.

By: _____

President

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2013, by _____, President, _____ Office Park Condominium Owners' Association, Inc., a Texas nonprofit corporation, on behalf of said corporation.

NOTARY PUBLIC, State of Texas

B11. Exhibit J – Boundary Designation.

EXHIBIT J

(See Section 2.3(b) of Declaration)

BOUNDARY DESIGNATION

Unit _____, _____ Office Park, A Condominium

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

STATE OF TEXAS §
 §
COUNTY OF _____ §

KNOW ALL PERSONS BY THESE PRESENTS:

This Boundary Designation is made by _____ Office Park Condominium Owners' Association, Inc., a Texas non-profit corporation (the "**Association**") pursuant to the Declaration of Covenants, Conditions, and Restrictions for _____ Office Park, A Condominium, recorded as Document No. _____, _____ County, Texas (the "**Declaration**") as follows:

- 1. **Boundary.** The Declaration is hereby amended to correct the boundaries of Unit ___ to be as set out in the Map on Exhibit A attached hereto. In the event of any conflict between the description of the Unit set forth herein or in the Declaration, the description set forth herein shall control.
- 2. **Binding Effect.** Capitalized terms used and not otherwise defined herein shall have the meaning set forth in the Declaration. This instrument is binding upon the Regime, the Association, and all owners of Units, their heirs, successors and assigns, and runs with the Regime and Property.

Dated effective _____, 2013.

_____ Office Park
Condominium Owners' Association, Inc.

By: _____
_____, President

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2013, by _____, President of _____ Office Park Condominium Owners' Association, Inc., a Texas non-profit corporation, in said capacity and on behalf of said corporation.

NOTARY PUBLIC, State of Texas

Exhibit A

Map of Unit

The attached Map contains the information required by the Texas Uniform Condominium Act.

B12. Exhibit K - Notice of Dedicatory Instruments.

NOTICE OF DEDICATORY INSTRUMENTS

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

By the Declaration of Covenants, Conditions, and Restrictions for _____ Office Park, A Condominium (the "**Declaration**") dated _____, 2013, recorded under County Clerk's Document No. _____, Condominium Developer, Ltd., imposed on the property known as "_____ Office Park" a condominium regime. The Declaration establishes an owners' association to implement the condominium regime. Pursuant thereto, the _____ Office Owners' Association, Inc. (the "**Association**") has been chartered as a Texas non-profit corporation.

As required by § 202.006 of the Texas Property Code, this Notice of Dedicatory Instruments is filed for record to give notice of various "**dedicatory instruments**" binding on the owners of property in _____ Office Park. Attached hereto are the following dedicatory instruments governing the administration or operation of the Association and rules and regulations adopted by the Association:

- 1. Certificate of Formation.
- 2. Bylaws.
- 3. Rules and Regulations.
- 4. Architectural Guidelines.

DATED as of the ____ day of _____, 2013.

ASSOCIATION:

_____ Office Park Condominium Owners' Association, Inc.

By: _____
President

[Acknowledgement]

C. **Sales Package.**

C1. **Sales Contract.**

COMMERCIAL CONDOMINIUM SALES CONTRACT

_____ LTD.,
a Texas limited partnership ("Seller")

UNIT NO. _____
_____ OFFICE PARK,
A CONDOMINIUM

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COMMERCIAL CONDOMINIUM SALES CONTRACT

1. **PARTIES: Condominium Developer, Ltd.**, a Texas limited partnership ("**Seller**") agrees to sell and convey to the undersigned Buyer ("**Buyer**") and Buyer agrees to buy from Seller the Property described below. This Commercial Condominium Sales Contract together with all addenda and exhibits attached hereto, floor plans and specifications, all written consents, written selections executed or initialed by the parties pursuant hereto and all written amendments hereto executed by the parties are collectively called the "**Contract**." All capitalized terms in this Contract, not otherwise defined herein, have the meaning given to such term in the Condominium Documents.

2. **PROPERTY AND CONDOMINIUM DOCUMENTS:**

- A. PROPERTY. (*Select one*):
- (1) Building Site (Building Site Only Addendum attached)
 - (2) Shell Building on Building Site (Unfinished-Out Shell Space Addendum attached)
 - (3) Finished-Out Shell Building on Building Site (Turnkey Addendum attached)

For Suite _____, of _____ Office Park, A Condominium, located at _____ Street, _____, _____ County, Texas _____, described in the Condominium Documents and Plat and any amendments thereto of record or to be recorded in _____ County, Texas as of Closing (preliminary copies of the Condominium Documents are being provided to Buyer); together with such Suite's undivided interest in the Common Elements designated by the Declaration, including those areas reserved as Limited Common Elements appurtenant to the Suite and such other rights to use the Common Elements which have been specifically assigned to the Suite in any other manner ("**Unit**"). The Condominium is being constructed or is constructed upon and includes, as Common Elements, the land (the "**Project Property**") depicted in the Condominium Documents and CCIS. Attached hereto is a Building Site Plan and Project Plan.

All property sold or assigned by this Contract is called the "**Property**."

- B. CONDOMINIUM DOCUMENTS. Seller is in the process of constructing a commercial condominium project, which is to consist of ___ commercial units, (together, the "**Condominium**"). The Condominium is to be a condominium regime created by filing for record prior to Closing of the sale to Buyer of a Declaration and other Condominium Documents referenced in **Paragraph 2B** pursuant to the Texas Uniform Condominium Act ("**TUCA**"). The Condominium Declaration, Bylaws, Community Policies, and Rules of the Association are called "**Condominium Documents**". A copy of the Condominium Documents is available for review.
- C. COMMERCIAL CONDOMINIUM INFORMATION STATEMENT. The Commercial Condominium Information Statement is called the "**CCIS**." The CCIS provided or to be provided by Seller to Buyer is not in the form provided by Section 82.153 of the Texas Property Code for residential and other condominium projects where the Buyer has not waived Subchapter D of TUCA. As permitted by Subchapter D of TUCA for nonresidential condominium projects, Buyer waives the requirements, application and protections afforded by Subchapter D of TUCA. Attached to the CCIS is a preliminary Budget of the proposed Condominium owners' association (the "**Association**") based upon Seller's good faith estimate of the common expense charges, capital reserves, insurance premiums and ad valorem taxes for the initial year of operation of the Condominium (the budget as revised from time to time by Seller or upon formation of the Association the budget, as adopted by the Association, is called the "**Budget**"). The Budget has been based upon the Seller's good faith estimate of such costs and does not constitute a representation or warranty on the part of the Seller as to accuracy thereof, and in the event the

actual costs are greater than those which were projected in the Budget, Buyer shall have no recourse against Seller.

D. MODIFICATION OF CONDOMINIUM DOCUMENTS. Seller reserves the right to modify the Condominium Documents as required or permitted by law, or by the Condominium Documents.

3. SALES PRICE:

A.	Cash portion of Sales Price payable by Buyer at Closing	\$	<u>All cash</u>
B.	Sum of all financing described below	\$	<u>- 0 -</u>
C.	Sales Price for Building Site	\$	<u> </u>

The Sales Price shall not be subject to adjustment based upon square footage, net floor area or otherwise. Seller shall not be liable to Buyer as a result of any discrepancies in the actual measurements or square footage of the Property from those depicted in the Addenda, the Condominium Documents or otherwise. By accepting the Deed to the Property, Buyer waives any such claim or cause of action against Seller. In the event that the box in either **Paragraph 2A(2)** and **(3)** is marked, then in addition to the Sales Price stated above, Buyer shall additionally pay to Seller the Construction Price set out in the Addendum hereto for the construction of the Shell and/or Shell and Finish Out, as the case may be.

4. FINANCING: Buyer's purchase of the Property is is not conditioned upon Buyer obtaining financing.

If Buyer's purchase of the Property is conditioned upon Buyer obtaining financing, the provisions of this **Paragraph 4** apply. If Buyer needs to obtain financing to close the purchase of the Property, within _____ days after the Effective Date of this Contract ("**financing application deadline**"), Buyer shall apply for all third party financing and make every reasonable effort to obtain financing. Buyer shall make application therefor to the lending institution designated by Seller ("**Lender Designated by Seller**") or to a lending institution selected by Buyer which is reasonably acceptable to Seller (the "**Lender Approved by Seller**," which in the case of either Lender is called herein the "**Buyer's Lender**"), and shall give Seller notice of the filing of such application. In the event that Buyer's application for financing is not submitted by the financing application deadline, Buyer shall be considered to be in default hereunder. If Seller notifies Buyer that Buyer has failed to timely furnish the financial or credit information required by the Buyer's Lender, or has otherwise failed to diligently pursue the loan application, and Buyer fails for five days to cure such deficiency, then Buyer shall be deemed to be in default hereunder, and Seller may terminate this Contract and retain the earnest money, any interest accrued thereon, and any Change Order Payment as liquidated damages. Financing will be deemed to have been obtained when the Buyer's Lender determines that Buyer has satisfied all of lender's financial requirements (those items relating to Buyer's net worth, income and creditworthiness) and Seller is notified thereof by Buyer. If financing is not obtained within 30 days after the financing application deadline and Seller is not notified thereof by Buyer ("**financing approval deadline**"), at Seller's election at any time thereafter this Contract will terminate and the earnest money and any interest accrued thereon and any Change Order Payment paid by Buyer to Seller will be refunded to Buyer. Seller is neither providing such financing nor paying any of the costs associated therewith.

5. EARNEST MONEY:

A. EARNEST MONEY. Buyer shall deposit \$ _____ as initial earnest money with the escrow agent, immediately upon execution of this Contract by Buyer.

Additional earnest money of \$ _____ in the form of cash or certified or cashier's check payable to the escrow agent must be deposited by Buyer with escrow agent on or before ___ days after the Effective Date of this Contract.

If Buyer fails to deposit the earnest money, including both the initial earnest money and any additional earnest money specified herein (collectively the "**earnest money**"), as required by this Contract, Buyer will be in default and Seller may terminate this Contract without notice to Buyer or otherwise pursue Seller's other remedies against Buyer. Buyer and Seller agree that the damages flowing from Buyer's breach of this Contract are difficult to estimate, and that the earnest money represents a fair and reasonable estimate of those damages. Seller's retention of the earnest money is not intended by Seller and Buyer as a penalty. If Seller elects to terminate this Contract and retain the earnest money as liquidated damages as specified in this Contract, those liquidated damages retained by Seller shall be in lieu of all other damages, claims and remedies (except those provided for in **Paragraphs 16, 17** and **26D(2)** of this Contract), to which Seller may be entitled by reason of Buyer's breach of this Contract. Escrow agent immediately upon receipt of notice from Seller of such termination due to Buyer's failure to deposit with the escrow agent the additional earnest money shall deliver the initial earnest money deposit together with all accrued interest thereon without the necessity of notice to Buyer or consent of Buyer.

B. ESCROW AGENT. The escrow agent is the Title Company ("**escrow agent**") or such other financial institution or title company selected by Seller. If the escrow agent is the Title Company, Seller may select the financial institution that is the depository for the earnest money. The escrow agent may be the Seller's Lender.

C. ACCOUNT TYPE.

(1) The earnest money shall be placed in escrow and held in this state in an account designated for that purpose and shall be held in an institution whose accounts are insured by a governmental agency or instrumentality.

(2) The earnest money is not required to be deposited in an interest bearing account.

6. TITLE POLICY:

A. TITLE POLICY: Seller shall furnish to Buyer at Seller's expense Buyer's expense an owner policy of title insurance (the "**Title Policy**") issued by such Title Company as may from time to time be selected by Seller (the "**Title Company**") in the amount of the Sales Price, dated at or after Closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions ("**Title Exceptions**"):

- (1) Restrictive covenants applicable to the platted subdivision in which the Property is located.
- (2) The standard printed exception for standby fees, taxes and assessments.
- (3) Liens created as part of any financing by Buyer.
- (4) Utility easements created by the Condominium Documents or plat of the subdivision in which the Property is located.
- (5) Any and all other covenants, conditions, easements, agreements, reservations, rights-of-way and restrictions affecting the Project Property and of record as of the Closing Date, including easements reserved or granted by Seller in connection with the development of the Condominium or developing adjacent property, and management agreements, service

- contracts and other agreements not of record executed by the Seller prior to the formation of the Association or by the Association after its formation, including by the Association during the Declarant Control Period.
- (6) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements, including any matter that would be disclosed by a current survey of the Property.
 - (7) The standard printed exception as to marital rights.
 - (8) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
 - (9) Rights of parties in possession of portions of the Project Property other than the Suite being purchased by Buyer.
 - (10) Such zoning or other restrictions upon the use of the Property as may be imposed by governmental authorities having jurisdiction thereof.
 - (11) Liens for work done or materials furnished at the request of Buyer.
 - (12) Taxes and assessments on the Property becoming due and payable after the Closing Date.

The Title Policy which is to be issued hereunder is to be delivered as soon as practicable after Closing. The Title Policy shall be in the form prescribed by the State Board of Insurance of the State of Texas, shall be dated as of the Closing Date, shall be issued to Buyer in the amount of the Sales Price and shall guarantee Buyer's title to be good and indefeasible subject only to the Title Exceptions. It is hereby agreed that, by the Title Company's commitment to issue Buyer the Title Policy and thereafter the delivery to Buyer of the Title Policy conforming to the forgoing provisions, all duties of Seller as to the sufficiency of title required hereunder shall be deemed to be fully performed by Seller; provided, however, that Seller shall not thereby be released from the warranties of its deed. Seller shall have the option, but not the obligation, at Seller's sole cost and expense, to cure or remove any defect in title. Seller may cure such defect by direct action or payment or by providing title insurance coverage against the defect or to pay Buyer at Closing (by credit toward the Sales Price) an amount of money which Seller reasonably estimates to be sufficient to fully discharge the defect. If Seller elects not to cure or is unable to cure the defect, Seller shall so notify Buyer prior to the Closing Date (or any extension thereof), and Buyer's sole and exclusive remedy shall be either (a) to terminate this Contract by giving Seller written notice thereof, in which event \$100 of the earnest money shall be paid to Seller as consideration for the execution of this Contract and the balance of the earnest money shall be returned to Buyer, and neither party thereafter shall have any further rights or obligations hereunder (except for the obligations of Buyer that this Contract expressly provides survives termination of this Contract), or (b) to elect to purchase the Property subject to the defect not so removed or cured, in which event the defect not removed or cured shall be deemed to be a permitted defect, and the Sales Price shall not be reduced by any amount. In the event Buyer fails to notify Seller of its election to terminate within 2 days after Seller's notice to Buyer that Seller has elected not to cure or is unable to cure, Buyer shall be deemed to have elected to accept such title as Seller can deliver. Buyer shall not be entitled to request or demand that any monies for construction liens be withheld from any part of the Sales Price, if the Title Company is willing to issue the Title Policy without exception to any such construction liens. In the event any portion of the Project Property is taken by eminent domain, all awards pursuant thereto shall belong solely to Seller, in which event this Contract shall terminate and the earnest money shall be refunded to Buyer only if the area taken prohibits the construction of the Suite in the judgment of the Seller.

B. NOTICES TO SELLER AND BUYER:

- (1) Seller advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment for Title Insurance should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.
- (2) Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum either promulgated by TREC or required by the parties should be used.
- (3) Seller may continue to show the Property for sale and to receive, negotiate and accept back-up offers.
- (4) If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49 of the Texas Water Code requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this Contract.
- (5) If the Property abuts the tidally influenced waters of the state, Section 33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the Contract. An addendum either promulgated by TREC or required by the parties should be used.
- (6) If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.

7. PROPERTY CONDITION:

- A. **INSPECTION.** If Buyer desires to inspect, examine or survey the Property after the Effective Date of this Contract, Buyer may do so until Closing, at Buyer's sole expense and risk, but this Contract is in no way contingent upon any such inspection, examination or survey. Inspections, examinations or surveys of the Property must be scheduled with Seller by appointment made at least two days in advance of the day approved by Seller. Buyer will not have access at any time to the Property except upon having scheduled an appointment at a time approved by Seller. This provision shall survive termination of the Contract.
- B. **WARRANTIES: EXCEPT AS EXPRESSLY CONTAINED HEREIN, SELLER MAKES NO, AND DISCLAIMS ALL, REPRESENTATIONS OR WARRANTIES IN CONNECTION WITH THE PROPERTY AND THE CONDOMINIUM PROJECT AND BUYER AGREES THAT BUYER IS ACQUIRING THE PROPERTY "AS IS" AND "WHERE IS."**

Nothing herein shall limit the special warranty of title contained in the Deed.

8. **BROKERS' FEES:** All obligations of the parties for payment of brokers' fees are contained in separate written agreements.
9. **CLOSING:** The Closing of the sale (the "**Closing**") shall occur on or before the Closing Date at the office of the Title Company or at such other location as shall be selected by Seller. The address of

the Title Company designed in **Paragraph 6A** is _____, Attn: _____, President, (____)_____ and Fax (____)_____.

Seller shall notify Buyer of the date of closing (referred to herein as the "**Closing Date**"). The Closing Date selected by Seller shall be not more than ____ days after the Effective Date of this Contract. The Closing may at Seller's election be extended to permit Seller to cure any objections to the title to be conveyed by Seller as raised by the attorneys for the Title Company or to complete construction of all or part of the Project. The notice from Seller to Buyer shall specify the time and date of the Closing. Buyer waives any claim Buyer may have against Seller due to the Closing Date being outside of an interest rate lock in period selected by Buyer. If Buyer locks in, Buyer does so at Buyer's own risk. It is Buyer's responsibility, and not Seller's responsibility, to cause Buyer's Lender to process Buyer's loan in time to close by the Closing Date, including processing of the appraisal, survey, and loan closing document preparation. If either party fails to close this sale by the Closing Date, the non-defaulting party will be entitled to exercise the remedies contained in Paragraph 15. Seller reserves the right prior to closing to change the Title Company and designate another Title Company to act as escrow agent and Title Company.

10. POSSESSION: Seller shall deliver possession of the Property to Buyer on delivery of the Sales Price to Seller.

11. SPECIAL PROVISIONS:

A. RESERVED RIGHTS.

- (1) Seller reserves the right to impose upon the Property and the Association, prior to Closing, restrictive covenants, agreements, and easements, so long as the same do not substantially or materially affect the use of the Property as a commercial condominium.
- (2) Until such time as all of the Units in the Condominium have been sold, Seller reserves the right to make such use of the unsold Units and the Common Elements as are necessary for its sales and marketing program. Such use, however, shall not unreasonably interfere with the enjoyment of the Condominium by the owners of the Condominium Units including Buyer. Seller reserves the right to lease or rent all remaining unsold Units to such persons and upon such terms as Seller may determine in its sole discretion, subject to the terms and provisions of the Condominium Documents and applicable laws.

B. SUBMISSION OF INFORMATION TO SELLER. By executing this Contract Buyer authorizes Seller to make credit inquiries concerning Buyer. Buyer shall cooperate fully with Seller to facilitate Seller's credit inquiries. Within 5 days after Buyer signs this Contract ("**financial information submission period**"), Buyer agrees to deliver to Seller's interim construction loan lender or other lender loaning funds to Seller ("**Seller's Lenders**") and to Seller evidence of Buyer's ability to finance the Sales Price by third party financing or pay all cash, if third party financing is not to be obtained by Buyer. In the event Buyer does not submit Buyer's financial information to Seller and Seller's Lenders during the financial information submission period, Seller may terminate this Contract and receive the earnest money and any interest accrued thereon and retain any Change Order Payment paid to Seller as liquidated damages. If Buyer fails to obtain Seller's Lenders' approval to purchase the Property within 30 days after the financial information submission period, this Contract at Seller's election may be terminated and all sums theretofore paid by Buyer hereunder shall be returned to Buyer without interest. Buyer releases and waives any claim it may have against Seller and Seller's Lenders, if Seller's Lenders do not approve Buyer to purchase the Property. Buyer represents that the financial information submitted in connection with this Contract is true and accurate.

12. SETTLEMENT AND OTHER EXPENSES:**A. SELLER'S ACTIONS.**

- (1) **TAX STATEMENTS.** Seller shall furnish tax statements or certificates showing no delinquent taxes.
- (2) **DEED.** Seller shall furnish Buyer a special warranty deed conveying good and indefeasible title showing no additional exceptions to those permitted in Paragraph 6 and such matters as would be disclosed by a current survey of the Property and if either the box in **Paragraph 2A(2)** or **(3)** is marked, then a first lien vendor's lien will be reserved in favor of Seller to secure payment to Seller of the Construction Price of the work to be undertaken by Seller for Buyer after Closing in accordance with the attached Addendum. Buyer, upon the acceptance of the Deed, agrees to assume and to perform all of the obligations of Seller under the Title Exceptions applicable to the Property, agrees to pay ad valorem taxes for the current and subsequent years and agrees to perform and to assume all of the obligations, conditions and covenants under the Condominium Documents applicable to the Property.

B. BUYER'S ACTIONS.

- (1) **SALES PRICE.** Buyer shall pay Seller the Sales Price in cash on or before 11:00 A.M. on the Closing Date, subject to the credits, adjustments and prorations herein provided. Additionally, if either the box in **Paragraph 2A(2)** or **(3)** is marked, then Buyer shall execute and deliver to Seller a Promissory Note in the amount of the Construction Price and Deed of Trust granting Seller a first lien on the Unit to secure Buyer's payment to Seller of the Construction Price of the work to be undertaken by Seller for Buyer after closing in accordance with the attached Addendum. The Note and Deed of Trust are in the form provided by Seller to Buyer.
- (2) **ASSOCIATION RESERVE.** Buyer shall pay 4 months of estimated common expense charges in advance to the Association.
- (3) **SURVEY.** Buyer shall pay for any survey, survey update or re-certification ordered by Buyer.
- (4) **PRORATIONS.** Buyer shall pay Buyer's share of any prorated items as determined in accordance with **Paragraph 13.**
- (5) **UTILITIES.** Buyer shall make all arrangements for continuing utility service as of Closing, including making standard utility deposits with the utility providers.

13. PRORATIONS: Taxes for the current year, maintenance fees, Condominium assessments, insurance, dues and rents will be prorated through the Closing Date. If taxes for the current year vary from the amount prorated at Closing, the proration made at Closing shall be final and shall not be later adjusted or corrected. Cash reserves from regular Condominium assessments for deferred maintenance or capital improvements established by the Association will not be credited to Seller. Buyer shall reimburse Seller for the Property's pro rata share of insurance policies of the Association and of insurance policies covering the Property prepaid by Seller. Buyer shall pay the premium for any additional insurance policies required by Buyer's Lender or the Association. If taxes are not paid at or prior to Closing, Buyer will be obligated to pay taxes for the current year. Buyer shall be responsible for all utility charges of the Unit from and after Closing and Buyer shall reimburse Seller

within 2 days of request by Seller for any utility charges billed to the Seller for the Unit for the day of Closing and thereafter.

- 14. CASUALTY LOSS:** In the event that any part of the Property should be damaged or destroyed before the consummation of this transaction, Seller may at Seller's election, cancel and terminate this Contract, in which event the earnest money shall be refunded to Buyer; or, if Seller shall elect to repair such damage, this Contract shall remain in full force and effect. No title shall pass to Buyer prior to Closing. Notwithstanding anything contained in this Contract to the contrary, in the event Buyer cannot take possession of Buyer's Unit or any part thereof by reason of any casualty damage thereto, Seller shall not be responsible or liable for reimbursing Buyer for any costs, expenses, or damages suffered or incurred by Buyer as a result of such delay or damage, and specifically shall not be responsible for any costs and expenses incurred by Buyer in obtaining alternate accommodations pending the repair of the damage, nor for any costs incurred in having to store or move Buyer's furniture or other belongings pending completion of such repair work.
- 15. DEFAULT:** If Buyer fails to comply with this Contract, Buyer will be in default, and Seller may either (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this Contract and receive the earnest money and any interest accrued thereon as liquidated damages, thereby releasing both parties from this Contract, except for liability for the provisions of this Contract that specifically state that they survive termination of this Contract. If Seller shall default in the performance of this Contract, Buyer, at Buyer's option, after giving Seller notice of such default and a reasonable opportunity to cure such default and upon failing to cure such default, may, subject to the arbitrating any disputes as herein provided, either (1) enforce specific performance hereof, seek such other relief as may be provided by law, or both, or (2) terminate this Contract, by notice in writing to Seller, and all sums paid by Buyer hereunder shall thereupon be returned to Buyer on demand with any accrued interest, thereby releasing both parties from this Contract, except for liability for the provisions in this Contract that specifically state that they survive termination of this Contract. Upon Buyer's election to terminate this Contract due to Seller's default, return of the earnest money with any accrued interest shall be Buyer's sole remedy. Failure by Buyer to so elect in writing and to deliver such election to Seller before Seller tenders performance of any omitted act or cure for its default shall constitute a waiver by Buyer of Seller's default.
- 16. DISPUTE RESOLUTION:** If a dispute arises between Seller and Buyer or their successors and assigns (the "**parties**") as to whether a party has defaulted or as to any other matter relating in any manner to the Property or this Contract or the obligations arising out of this Contract and the Closing Documents, including claims of misrepresentation, warranty claims, fraud, fraudulent inducement, deceptive trade practice, construction defects, and/or in the event the Buyer claims that any personal injury, survival, wrongful death or damage to goods was caused by any defect in the design or construction of the Property (a "**dispute**"), then the dispute must proceed to a binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association as set out in the Condominium Documents, which are incorporated herein for this purpose, unless Seller waives specifically waives arbitration as the means of dispute resolution. If Seller does not waive arbitration as the means of dispute resolution, Buyer is bound to resolve the dispute by arbitration and hereby waives Buyer's legal right to file a lawsuit to resolve the dispute; this means that in such case, the final decision as to a dispute will be made by an arbitrator and not by a judge or jury. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. All meetings, arbitration hearings and other proceedings shall be in the county of the location of the Property. The costs of the arbitration shall be allocated by the arbitrator. The parties waive any right for the arbitrator to award punitive damages. Seller may join as parties to the arbitration other persons with which it has a contractual relationship whose contracts provide for arbitration of disputes, if the dispute between Seller and Buyer may involve liability of such third parties.

In rendering the award, the arbitrator shall state the reasons, therefor, including any computations of actual damages or offsets, if applicable. The parties agree to abide by and perform the award rendered by the arbitrator. If the non-prevailing party fails to comply with all aspects of the award within 30 days' following issuance of the award, then the prevailing party shall be entitled to seek enforcement of the award in any court of competent jurisdiction. If such enforcement becomes necessary, the prevailing party in such proceeding shall recover its reasonable attorney's fees, in addition to any other relief as to which that party may be entitled.

The provisions of this **Paragraph 16** survive Closing of the sale to Buyer and also apply to any disputes, either before or after the Closing of the sale of the Property to Buyer.

- 17. ATTORNEYS' FEES:** The prevailing party in any legal proceeding brought under or with respect to the transaction described in this Contract is entitled to recover from the non-prevailing party all costs of such proceeding and reasonable attorneys' fees.
- 18. ESCROW:** The earnest money is deposited with escrow agent with the understanding that escrow agent is not (a) a party to this Contract and does not have any liability for the performance or nonperformance of any party to this Contract, (b) liable for interest on the earnest money and (c) liable for any loss of earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as escrow agent. At Closing, the earnest money must be applied first to any cash down payment, then to Buyer's closing costs and any excess refunded to Buyer. If both parties make written demand for the earnest money, escrow agent may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of escrow agent from all parties. If one party makes written demand for the earnest money, escrow agent shall give notice of the demand by providing to the other party a copy of the demand. If escrow agent does not receive written objection to the demand from the other party within 30 days after notice to the other party, escrow agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and escrow agent may pay the same to the creditors. If escrow agent complies with the provisions of this paragraph, each party hereby releases escrow agent from all adverse claims related to the disbursal of the earnest money. Escrow agent's notice to the other party will be effective when deposited in the U.S. Mail, postage prepaid, certified mail, return receipt requested, addressed to the other party at such party's address shown below. Notice of objection to the demand will be deemed effective upon receipt by escrow agent.
- 19. REPRESENTATIONS:** Seller represents that as of the Closing Date there will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds.
- 20. FEDERAL TAX REQUIREMENT:** If Seller is a "**foreign person**," as defined by applicable law, or if Seller fails to deliver an affidavit that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. IRS regulations require filing written reports if cash in excess of specified amounts is received in the transaction.
- 21. AGREEMENT OF PARTIES:** This Contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda which are a part of this Contract are (*list*):
- A.** Select One:
 - Building Site Only Addendum
 - Unfinished-Out Shell Space Addendum
 - Turnkey Addendum
 - B.** Building Site and Project Plan.
 - C.** TREC Form Information About Brokerage Services.
 - D.** Other Addenda delivered at the time of execution of the Contract:

22. CONSULT YOUR ATTORNEY: Real estate licensees cannot give legal advice. This Contract is intended to be legally binding. READ IT CAREFULLY. If you do not understand the effect of this Contract, consult your attorney BEFORE signing.

23. CONSTRUCTION OF AGREEMENT: The parties agree that this Contract shall be construed in accordance with the laws of the State of Texas; the parties hereto have chosen the law of the State of Texas to govern all aspects of this transaction even though Buyer may reside in a state other than Texas; and venue for all causes of action or lawsuits shall lie exclusively in the county of the location of the Property.

24. NOTICES: Except as otherwise herein expressly provided as another means of notice, all notices from Buyer to Seller must be in writing and are effective when received and by the Seller at Seller's address below, and in the case of notice to Seller pertaining to a Seller's default, disputes with Seller or the exercise of remedies when notice is additionally received by Seller's counsel in Paragraph 22.

Notices from Seller to Buyer are effective when mailed to, hand-delivered at, or transmitted by email or facsimile machine to Buyer at the address of Buyer as follows or to such other address of which Seller is aware.

To Buyer at:

Telephone: () _____
Facsimile: () _____

To Seller at:

c/o _____
Attn: _____

_____, Texas _____
Telephone: () _____
Fax: () _____
Email: _____

25. MISCELLANEOUS:

- A. NO ORAL AGREEMENTS OR REPRESENTATIONS. There are no collateral understandings, representations or agreements other than those contained herein. No salesperson, employee, or agent of the Seller has the authority to modify the terms herein nor any authority whatsoever to make any reference, representation or agreement not contained in this Contract. No reference, representation or agreement contained herein shall be binding upon Seller or in any way affect the validity of this Contract or form any part hereof. Buyer acknowledges that no representations have been made by Seller, its agents or employees, in order to induce the Buyer to enter into this Contract, other than as expressly stated herein. Without limiting the generality of the foregoing, Buyer acknowledges that neither Seller nor its agents or employees have made any representations or statements to Buyer of the investment potential or resale potential at any future date, at a profit or otherwise, of the Property; nor has Seller, its agents or employees rendered any advice or expressed any opinions to Buyer regarding deductibility of depreciation on the Property or any other tax consequences of ownership of the Property (other than the customary real property taxes and interest deductions available to Buyer as a result of home ownership and financing); nor has Seller, its agents or employees made any representations as to the exact square footage of the Property.
- B. CONTRACT ENTIRE AGREEMENT. The Contract constitutes the sole and entire agreement between the parties. All prior agreements, whether oral or written, are hereby superseded. The

provisions of this Contract may not be changed, altered or modified except in writing and signed by the Buyer and an officer of the Seller. Waiver by the Seller of any terms, conditions or provisions of this Contract shall not be construed as a waiver of any other or subsequent term, condition or provision of this Contract.

- C. SEVERABILITY. In any term, condition or provision of this Contract is declared illegal or invalid for any reason by a court or competent jurisdiction, the remaining terms, conditions and provisions of this Contract shall, nevertheless, remain in full force and effect.
- D. GENDER. Whenever the context of this Contract so requires, the masculine gender includes the feminine and the neuter, and the singular number includes the plural.
- E. PERFORMANCE. Buyer acknowledges and agrees that notwithstanding any rights at law or in equity arising out of this Contract, Buyer shall not assert any such rights, nor have any claim or cause of action (as a result of any matter or thing arising under or in connection with this Contract) against any person, firm, corporation or other legal entity, other than the person, person, firm, corporation or legal entity specifically named or defined as Seller herein, even though Seller may be found to be a nominee or agent of another person, firm, corporation or other legal entity, and this acknowledgment and agreement may be pleaded as an estoppel and bar against Buyer in any action or proceeding brought by Buyer to assert any of such rights, claims or causes of action. This Contract and the obligations of the parties hereto are performable in the county where the Property is located. The parties have chosen the law of the State of Texas to govern all aspects of this transaction even though Buyer may reside in a state other than Texas; and venue for all causes of action shall lie exclusively in Hidalgo County, Texas. If the expiration of any time period set forth herein falls on a Saturday, Sunday or legal holiday, such time period shall be deemed to expire on the next day which is not a Saturday, Sunday or legal holiday. The last day of any period of time described herein shall be deemed to end at 5:00 p.m., local time. TIME IS OF THE ESSENCE IN THIS CONTRACT, AND FAILURE TO PERFORM WITHIN THE TIME SPECIFIED THEREFOR SHALL CONSTITUTE A BREACH OF THIS CONTRACT ON THE PART OF THE PARTY WHO FAILS TO PERFORM.
- F. ASSIGNMENT. Buyer may not assign or pledge ("**assign**") this Contract or Buyer's rights hereunder including Buyer's interest in the earnest money without the prior written consent of Seller, and any attempt to do so is void and of no effect. It is the responsibility of Buyer to furnish Seller with satisfactory financial information regarding any proposed assignee. Any assigning Buyer is not released from liability arising by virtue of an assignment until after the Closing of the sale. Seller's failure to give its consent to an Assignment by Buyer shall not give rise to any claims or damages against Seller. Furthermore, neither this Contract nor a notice of this Contract may be recorded by Buyer. Seller's rights under this Contract are freely assignable without notice or consent of the Buyer. Seller shall have the right to assign this Contract to any person or entity which acquires the Project Property from the Seller, and upon such assignment all rights and obligations of Seller hereunder shall inure to and be assumed by the assignee and thereafter Buyer agrees to look solely to said assignee for performance of the Seller's obligations hereunder and not to Seller. Seller shall also have the right to collaterally assign this Contract as security for any loan obtained by Seller or Seller's assignee or successor.

26. RELEASES, WAIVERS AND INDEMNITIES:

- A. **BUYER'S WAIVER OF CONSUMER RIGHTS.** Buyer knowingly, voluntarily and intentionally waives Buyer's rights under the Deceptive Trade Practices-Consumer Protection Act, Section

17.41 *et seq.*, Business & Commerce Code, a law that gives consumers special rights and protections. After consultation with an attorney of Buyer's own selection, Buyer voluntarily consents to this waiver. This provision shall survive Closing or termination of this Contract.

Buyer: _____

- B. **BUYER'S AND SELLER'S WAIVER OF JURY TRIAL.** To the maximum extent permitted by law, Seller and Buyer hereby knowingly, voluntarily and intentionally waive the right to a trial by jury in respect of any litigation based hereon, arising out of, under or in connection with this Contract, Buyer's entry on the Property prior to Closing, the conveyance of the Property to Buyer, or any course of conduct, course of dealing, statement (whether verbal or written) (including, without limitation, any action to rescind or cancel this Contract, and any claim or defense asserting that this Contract was fraudulently induced or is otherwise void or voidable). This waiver is a material inducement for Seller to enter this Contract. This provision shall survive Closing or termination of this Contract.

Buyer: _____

Seller: _____

- C. **BUYER'S AND SELLER'S WAIVER OF PUNITIVE DAMAGES.** Seller and Buyer hereby knowingly, voluntarily and intentionally waive all punitive or exemplary damages which may arise out of the sale of the Property to Buyer, including arising out of any breach or other default by any party hereto. Neither punitive nor exemplary damages may be awarded by the arbitrator. This provision shall survive Closing or termination of this Contract.

Buyer: _____

Seller: _____

- D. **RELEASE AND INDEMNITY BY BUYER.** Buyer releases the released persons and indemnifies the indemnified persons for liabilities arising out of the acts or omissions of Buyer or of Buyer's agents, employees, contractors and invitees being on the Project Property arising prior to Seller's completion of construction of the Project at any time other than Scheduled Appointments ("Periods other than Scheduled Appointments") as follows:

- (1) **RELEASE BY BUYER.** Buyer hereby releases Seller, Seller's partners, employees, agents, contractors, and invitees, and their respective successors and assigns (the "released persons"), from and against all claims, causes of action, liabilities, costs, damages, and expenses (including attorneys' fees and court costs), which result from Buyer's or Buyer's agents', employees', contractors' or invitees' presence on the Project Property, including but not limited to the Property, at Periods Other than Scheduled Appointments, which released liabilities include but are not limited to liabilities by the released persons for bodily injury, disease, death or damage to property of Buyer and which released liabilities include liabilities arising in whole or in part out of the negligence of the released persons or their agents, employees, contractors or invitees. This provision shall survive Closing or termination of this Contract.

Buyer: _____

(2) **INDEMNITY BY BUYER.** Buyer *indemnifies*, holds harmless, and defends Seller, Seller's partners, employees, agents, contractors, and invitees, and their respective successors and assigns (the "indemnified persons") from and against all liens, claims, causes of action, liabilities, costs, damages, and expenses (including attorneys' fees and court costs) arising out of Buyer's or Buyer's agents', employees', contractors' or invitees' presence on the Project Property, including but not limited to in the Property, resulting from or relating to the acts or omissions Buyer's or Buyer's agents, employees, contractors or invitees, including but not limited to liabilities for bodily injury, disease, death or damage to property, and including but not limited to liabilities arising in whole or in part out of the negligence or willful misconduct of Buyer or of Buyer's agents, employees, contractors or invitees, and including but not limited to liabilities arising in part out of the concurrent negligence of Seller or Seller's agents, employees, contractors or invitees. This provision shall survive Closing or termination of this Contract.

Buyer: _____

EXECUTED the _____ day of _____, 2013 (the "**Effective Date**"). The Effective Date of this Contract shall be the date on which the last to sign of Seller or Buyer shall execute this Contract. This Contract may be executed in multiple original counterparts, each of which shall be original for all purposes.

SELLER:

BUYER:

Condominium Developer, Ltd.
a Texas limited partnership

Buyer
Buyer's SSN:

By: _____, L.L.C.

By:
(Name) _____
(Title) _____

Buyer
Buyer's SSN:

By:
(Name) _____
(Title) _____

C2. Commercial Condominium Information Sheet.

COMMERCIAL CONDOMINIUM INFORMATION STATEMENT

- (1) Declarant's name: Condominium Developer, Ltd.
 Declarant's principal address: _____, _____, Texas _____
- (2) Name of condominium: _____ Office Park
 Principal address of condominium: _____ Street, _____, Texas _____
- (3) Generally describe the condominium: See attachment (Item 3)

 Type of units: _____
 Maximum number of units: ____.
- (4) Number of additional units, if any, that may be included in the condominium:
 Maximum number: _____. Minimum number: _____.
- (5) Briefly describe any development rights reserved by declarant: See Attachment (Item 5)
 Briefly describe any conditions relating to or limitations upon the exercise of development rights:
See Attachment (Item 5)
- (6) Generally describe each lien, lease, or encumbrance on or affecting title to the condominium after conveyance by the Declarant: See Attachment (Item 6)
- (7) Describe any unsatisfied judgments against the unit owners' association (the Association) and any pending suits to which the Association is a party or which are material to the land title and construction of the condominium of which declarant has actual knowledge: None
- (8) Generally describe the insurance coverage provided for the benefit of unit owners: See Attachment (Item 8)
- (9) Fees or charges to be paid by unit owners for the use of common elements and other facilities related to the condominium: See Attachment Item 9.
 Current fees: _____
 Expected fees: _____
- (10) Copies of the following are attached to this statement:
 - (a) The declaration and any amendments (See **Item (10)(a)-(e)**);
 - (b) Certificate of Formation of the Association and any amendments (See **Item (10)(a)-(e)**);
 - (c) Bylaws of the Association and any amendments (See **Item (10)(a)-(e)**);
 - (d) Rules of the Association and any amendments (See **Item (10)(a)-(e)**);
 - (e) Leases and contracts, other than loan documents, that declarant requires a buyer to sign at closing;
 - (f) Projected pro forma budget for the Association for the first fiscal year of the Association following the date of the first conveyance to a buyer that: (i) identifies the person who

- prepared the budget; and (ii) states the budget’s assumption concerning occupancy and inflation factors (See Attachment **Item (10)(f)**); and
- (g) Each written warranty provided by declarant (See Attachment **Item (10)(g)**).

Condominium Developer, Ltd., a Texas limited partnership

By: _____, L.L.C.

By: : _____
 (Name) _____
 (Title) _____

Receipt acknowledged by:

 Buyer Date

 Buyer Date

C2.1. Site Plan (Item 3).

[Intentionally left blank.]

C2.2. Allocations (Item 9).

[Intentionally left blank.]

C2.3. Budget.

ATTACHMENT TO COMMERCIAL CONDOMINIUM INFORMATION STATEMENT

BUDGET

(Item 10f)

The following is a preliminary Budget for _____ Office Park Condominium Owners’ Association, Inc. It is based upon Seller’s good faith estimate of the Common Expense charges, capital reserves, insurance premiums and ad valorem taxes for the initial year of operation of the Office Park. This Budget does not constitute a representation or warranty on the part of Condominium Developer, Ltd. as to the accuracy thereof, and in the actual costs are greater than those which were projected in the Budget, Buyer shall have no recourse against Condominium Developer, Ltd.

C2.4. Title Exceptions.

ATTACHMENT TO COMMERCIAL CONDOMINIUM INFORMATION STATEMENT

TITLE MATTERS SCHEDULE

(Item 6)

The following is a preliminary listing of liens, leases and other encumbrances on or affecting title to the condominium after conveyance by Condominium Developer, Ltd. This Schedule does not constitute a representation or warranty on the part of Condominium Developer, Ltd. as to the accuracy thereof, and in the actual exceptions are different, Buyer shall have no recourse against Condominium Developer, Ltd.

1. Subdivision regulations of the county of _____ and/or ordinances or regulation of the city holding extra-territorial jurisdiction of said property.
2. Statutory rights, rules, regulations, easements and lien in favor of _____ County Water Improvement District No. 3, pursuant to applicable sections of the Texas Water Code.
3. Rights or claims by _____ County Water Improvement District No. ___ to any portion of property lying within canal and/or drain ditch easement and/or rights of way located on the property.
4. Any portion of the above described property lying within the boundaries of dedicated or existing roadways or which may be used for road or street purposes.
5. Easements and reservations as shown according to the map or plat thereof recorded in Volume ___, Page ____, Deed Records, _____ County, Texas.
6. Existing power line as per survey plat dated _____, 2013, prepared by _____, Job No. _____.
7. Rights of parties in possession.
8. Restrictive covenants applicable to the platted subdivision in which Property is located.
9. Liens created as part of any financing by Buyer.
10. Utility easement created by the Condominium Documents or plat of the subdivision in which the Property is located.
11. Any and all other covenants, conditions, easement, agreements, reservations, rights-of-way and restrictions affecting the Condominium and of record as of the Closing Date, including easements reserved or granted by Seller in connection with the development of the Condominium or developing adjacent property, and management agreements, service contracts and other agreements not of record executed by the Seller prior to the formation of the Association or by the Association after its formation, including by the association during the Declarant Control Period.
12. Any discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements, including any matter that would be disclosed by a current survey of the Property.
13. Rights of parties in possession of portions of the Project Property other than the Unit being purchased by Buyer.
14. Such zoning or other restrictions upon the use of the Property as may be imposed by governmental authorities having jurisdiction thereof.
15. Liens for work done or materials furnished at the request of Buyer.

C2.5. Condo Doc's.

[Intentionally left blank.]

C2.6. Special Declarant Rights.**ATTACHMENT TO COMMERCIAL CONDOMINIUM INFORMATION STATEMENT****SPECIAL DECLARANT RIGHTS SCHEDULE**

(Item 5)

(a) Rights.

(1) **Changes to Units.** Declarant reserves the exclusive right but not the duty to amend the Plat and Plan to vary the size, shape, physical layout, or location of any unsold Unit or Units. If Declarant makes any significant variances in Unit sizes as set forth in **Exhibit C**, Declarant shall have a right and a duty to correspondingly adjust the percentages or fractions of ownership of the Common Elements of such Units remaining unsold. Declarant reserves the right to change, modify, or amend the vertical and horizontal description assigned to a Building, so long as Declarant is the owner of all Units constructed or contemplated to be constructed within the Building, which change, modification, or amendment may affect the size, appearance and/or mechanical, structural, and other components of the Building to which such vertical and/or horizontal description relates. In the event Declarant elects to change the vertical and/or horizontal description assigned to the Building, a Boundary Designation shall be filed in the Official Public Records, which Designation shall include a vertical and horizontal description of the Building actually constructed upon the Land, and shall automatically amend this Declaration for the purpose of defining and describing the Building.

Declarant reserves the right to change, modify, or amend the description assigned to any Unit or all of the Units, so long as Declarant, or any assignee of Special Declarant Rights, is the owner of such Unit or Units, which change, modification, or amendment may affect the size, appearance, mechanical, structural, and other components of the Unit(s) to which such horizontal description relates. In the event Declarant elects to change the description assigned to a Unit or Units owned by Declarant, Declarant shall file a Boundary Designation in the Official Public Records. In conjunction with any change, modification or amendment to a description assigned to a Unit or Units, the Designation may also reallocate the interest in Common Elements and percentage interest allocation assigned to all or any Units within the Regime.

Declarant hereby reserves the right to convert by amendment a Unit into additional Units, so long as Declarant, or any assignee of Special Declarant Rights, is the Owner of such Unit. Furthermore, in the event Declarant elects to convert a Unit into additional Units, Declarant may also amend this Declaration to designate portions of the converted Unit into Limited Common Elements assigned to each or either Unit which results from such conversion, so long as Declarant, or any assignee of Special Declarant Rights, is the Owner of the converted Unit. No assurance is given as to the number of additional Units Declarant may elect to create from a conversion of such Units, the dispersion of the Units resulted from such conversion, or the size of such Units. In the event Declarant, or any assignee of Special Declarant Rights, elects to convert a Unit into additional Units as provided herein, Declarant, or any assignee of Special Declarant Rights, shall file a Boundary Designation in the Official Public Records. In the event a Boundary Designation is recorded which converts any Unit identified herein into additional Units, such Units resulting from the conversion shall be fully assessable on the date the Unit created from such conversion is sold to a third party other than Declarant.

Declarant has also reserved the right to combine by amendment Units located in a Building into a single Unit or into Units which differ from the configuration of the combined Units, so long as Declarant, or any assignee of the Special Declarant Rights, is the Owner of all the combined Units. In the event Declarant elects to combine Units located in a Building into a single Unit or into Units which differ from the configuration of the combined Units, Declarant may also amend this Declaration to designate portions of the combined Units into Limited Common Elements assigned to the Unit(s) which result from such combination, so long as Declarant, or any assignee of Special Declarant Rights, is the Owner of the all of the combined Units. No assurance is given as to the number of Units or configuration Declarant may elect to create from a combination of Units, the dispersion of the Units resulted from such combination, or the size of such Units. In the event Declarant elects to combine Units into a single Unit or into Units with configurations which differ from the original combined Units, Declarant shall file a Boundary Designation in the Official Public Records.

(2) **Completion of Construction.** Declarant reserves the right to do what is reasonably necessary or advisable in connection with the completion of any work in the Project; and the right to construct and maintain the Common Elements and Units owned or controlled by Declarant, its successors or assigns, or its or their contractors or subcontractors, as may be reasonably necessary for the conduct of its or their business of completing any work and developing, selling, leasing, or managing of the Units in the Project.

(3) **Model Units and Offices.** Declarant reserves the right to maintain, for the above purposes, one or more onsite model units and sales/marketing offices, the size, number, location, and relocation of which shall be determined solely by Declarant; and the right of exclusive use of any sales office(s) and storeroom(s) located in Common Areas.

(4) **Signs.** Declarant reserves the right to maintain a sign or signs for the purpose of marketing the Units in the Project.

(5) **Plans.** Declarant reserves the sole right to approve or reject any plans and specifications submitted by a Unit Owner for approval as provided in **Section 3.8.**

(6) **Assessments.** Declarant reserves the assessment payments rights and duties as set forth in **Section**, as permitted by TUCA.

(7) **Landscaping.** Declarant reserves the right to modify the landscaping as provided in **Section 4.10.**

(8) **Parking.** Declarant reserves the right to designate and assign portions of the General Common Elements as parking for the exclusive use of any Owner of a Unit. Any parking spaces not specifically designated by the Declarant for the exclusive use of an Owner of a Unit will be under the exclusive control and administration of the Association at such time as the Declarant no longer owns any Unit within the Regime. The Board may thereafter assign parking spaces to any Owner or may use such parking spaces in a manner determined by the Board. Any designation and assignment of General Common Elements as parking will be memorialized by a written "**Assignment of Parking**" executed by an authorized representative of the Declarant (or Board if Declarant no longer owns any Units within the Regime) which shall identify the parking space(s) and the Unit assigned thereto. The Assignment shall be made a part of the corporate records of the Association and may not be terminated or modified without the consent of the Declarant (or a majority of the Board if Declarant no longer owns any Units within the Regime) and the Owner of the Unit to which such General Common Element parking was assigned.

(b) **Declarant's Mortgage.** Any mortgage of the Declarant's interest in the Project shall be deemed to include the Special Declarant Rights; and any foreclosure sale pursuant to such mortgage shall automatically convey the Special Declarant Rights.

(c) **Assignment.** The rights reserved by Declarant under this Declaration may be transferred as provided in §82.104 of TUCA. A conveyance by the Declarant shall not convey any Special Declarant Rights unless expressly so provided and unless the transferee also executes the conveyance instrument, as required by TUCA.

C2.7. Insurance.

[Intentionally left blank.]

C2.8. Warranties.

[Intentionally left blank.]

C3. Buyer's Receipt.

[See CCIS form.]

C4. "Check-the-Box" Addenda.**C4.1. Building Site Only Addendum.****ADDENDUM TO COMMERCIAL CONDOMINIUM CONTRACT****BUILDING SITE ONLY ADDENDUM**

This Addendum is incorporated into and amends the Commercial Condominium Sales Contract between the undersigned Seller and Buyer. In the event of any conflict between the provisions of this Addendum and the Contract, the provisions of this Addendum control. The provisions of this Addendum shall survive Closing.

1. BUILDING SITE AND SHELL PLANS. The Property being sold by Seller to Buyer consists of (a) the right and easement to build on the site designation for Buyer's construction of the Building, including exterior and interior finish out on the Limited Common Elements of the Condominium Project ("**Building Site**") and (b) basic plans and specifications for the shell of the Building (the "**Shell**"). The Building Site provided by Seller includes water, sewer, electrical and telephone utilities extended to the boundary of the Building Site.

2. CONSTRUCTION. Buyer will be solely responsible for all items required for the construction of the Shell and the finishing of the interior and exterior of the Building (the "**Finish-Out**") on the Building Site, including obtaining and paying for all required permits and other governmental approvals, connection to utilities, including tap fees (collectively, the "**Construction**"). Buyer agrees that the Construction shall be constructed in a good and workmanlike manner. All of Buyer's Construction must comply with any applicable rules and regulations of the Association, including those provided to Buyer with the Condominium Documents. Buyer acknowledges that the Construction must be designed and constructed in compliance with all applicable federal and state accessibility laws, including the Architectural Barriers Law (Art. 9102, Texas Revised Civil Statutes) and the Americans with Disabilities Act. Buyer's Construction plans and specifications for construction of the Unit ("**Construction Plans and Specifications**") must be reviewed and approved by the Seller, which consent shall not be unreasonably withheld, and by the Association pursuant to the procedures and provisions in the Condominium Documents, each at Buyer's sole cost, and prior to commencement of Construction. All contracts to be entered into by Buyer for Construction of the Unit ("**Construction Contracts**") must be reviewed and approved by the Seller, which consent shall not be unreasonably withheld, and by the Association pursuant to the procedures and provisions in the Condominium Documents, each at Buyer's sole cost, and prior to commencement of Construction. Buyer's Construction Contract shall contain the following provisions, compliance with which is a condition to contractors entry and presence on the Condominium Project: (1) Contractors shall obtain and furnish to the Association and Seller prior to commencement of construction and maintain throughout Construction insurance complying with the requirements of the Insurance Schedule attached hereto ("**Insurance Schedule and Contract Provisions**"). (2) Contractors are to furnish to the Association and to Seller a certificate of insurance complying with the requirements of the Insurance Schedule. (3) Contractors shall expressly acknowledge in a writing in form and substance delivered to the Association and to Seller that (a) the Construction is being completed for and on behalf of Buyer, and not on behalf of the Association, Declarant or Seller; (b) Buyer is not the agent or contractor for the Association, Declarant or Seller; (c) Contractor waives, and will obtain waivers from all of its subcontractors and suppliers, any lien against the Condominium Project except for Buyer's right, title and interest in Buyer's Unit; (d) the Construction is to be done in a good and workmanlike manner in accordance with the Construction Plans and Specifications approved by the Association; (e) All Construction shall comply with applicable governmental laws, rules and regulations and all permits and approvals shall be obtained and a copy thereof furnished to the Association; (f) if required by the Association, Declarant or Seller, the contractor shall furnish payment and performance bonds covering faithful performance of the Construction, with the payment bond being a Texas Hardeman Act Bond

recorded with the County Clerk prior to commencement of the Construction, issued by a corporate surety authorized to do business in Texas and licensed by the State of Texas to execute bonds a surety, in an amount at least equal to 100% of the contract sum of the Construction Contract, and shall name the Association as an additional obligee in addition to Buyer; and (g) the Construction Contract shall contain the Contract Provisions set out in the Schedule attached hereto, including a broad form indemnity indemnifying the Association, Declarant and Seller from all liability arising out of the contractor's work.

C4.2. Shell - Unfinished-Out Shell Space Addendum.**ADDENDUM TO COMMERCIAL CONDOMINIUM SALES CONTRACT****UNFINISHED-OUT SHELL SPACE ADDENDUM**

This Addendum is incorporated into and amends the Commercial Condominium Sales Contract between the undersigned Seller and Buyer. In the event of any conflict between the provisions of this Addendum and the Contract, the provisions of this Addendum control.

1. UNFINISHED-OUT SHELL SPACE. The Property being sold by Seller to Buyer consists of (a) the right and easement to build on the site designated for construction of the Building, including exterior and interior finish out on the Limited Common Elements of the Condominium Project ("**Building Site**") and (b) an unfinished-out shell of the Building (the "**Shell**") constructed in substantial accordance with the Declaration and the Plans and Specifications for the Project. The Building Site provided by Seller includes water, sewer, electrical and telephone utilities extended to the boundary of the Building Site.

2. CONSTRUCTION PRICE. Buyer agrees to pay Seller the sum of \$_____ (the "**Construction Price**") as consideration for the construction and completion of the Shell, subject to adjustment as allowed by this Addendum.

2.1 PAYMENTS. Should Buyer fail to make payment to Seller of the Construction Price in any partial or final payment, when payment is due, then Buyer shall pay to Seller, in addition to the sum shown as due by such statement, interest at the maximum rate allowed by applicable federal and state law.

A. INITIAL PAYMENT - Prior to the commencement of the Work, Buyer shall pay to Seller _____% of the Construction Price or \$_____ as a portion of the Construction Price (the "**Initial Payment**"). Seller may use the Initial Payment for, among other things, initial Construction or pre-construction expenses.

B. PROGRESS PAYMENTS - During construction, as often as every other week, the Seller shall present Buyer with requests for payment ("**Progress Payment Request**"). Each payment ("**Progress Payment**") shall be made in normal construction phases or according to a draw schedule ("**draw schedule**") approved by Buyer, Seller, and interim lender, if any, and attached to this contract as an Exhibit, or provided by Seller after execution of this contract, Buyer shall cause these payments to be made to Seller within 2 business days following the receipt of the Progress Payment Request. In the event of a payment delay, Seller shall have the right to stop work progress until payment is made. Buyer and Seller agree that there will be no retainage of funds.

C. FINAL PAYMENT - The Final Payment (that portion of the Construction Price not paid by previous payments as well as any Change Orders and Allowance variances) will be due and payable upon Final Completion of the Construction of the Shell.

2.2 ADJUSTMENTS. Increases in costs resulting from change orders or items selected by Buyer which exceed the Allowances, if any, specified in the Construction Documents will be paid by Buyer as follows. If Buyer desires any additions to or changes in the finish-out of the Buyer's Unit, then Buyer shall notify Seller in writing of such additions or changes. Seller shall have the right, in Seller's sole discretion, to approve or disapprove any such additions or changes and no such additions or changes shall be commenced until Buyer has approved, or been deemed to have approved the Condominium Documents and has obtained third party financing approval to purchase the Property. If Seller approves such changes, Seller shall notify Buyer in writing of the estimated cost thereof and Buyer shall deposit with Seller an amount equal to such estimate (the "**Change Order Deposit**") within 5 days

after the receipt of Seller's notice. Seller may commingle the Change Order Deposit with other funds of Seller. Seller shall not owe Buyer interest on the Change Order Deposit. The actual cost of such approved additions or changes shall be paid out of the Change Order Deposit. In the event the actual cost of such additions or changes exceeds the amount of the Change Order Deposit, then Buyer shall pay such excess to Seller within 5 days after receipt from Seller of notice of such excess or anticipated excess. In the event Seller has commenced such approved changes or additions and the Contract is thereafter terminated for any reason whatsoever, except Seller's default, then Seller shall be entitled to retain the balance of the Change Order Deposit as liquidated damages, and not as a penalty, due to such termination. Buyer acknowledges that the actual amount of Seller's damages would be impossible to determine. A decrease in costs resulting from change orders and unused allowances will reduce the Sales Price and loan amount accordingly.

3. CONSTRUCTION. Buyer will be solely responsible for all items required for the finishing of the interior and exterior of the Shell of the Building (the "**Finish-Out**") on the Building Site, including obtaining and paying for all required permits and other governmental approvals, connection to utilities, including tap fees (collectively, the "**Construction**"). Buyer agrees that the Construction shall be constructed in a good and workmanlike manner. All of Buyer's Construction must comply with any applicable rules and regulations of the Association, including those provided to Buyer with the Condominium Documents. Buyer acknowledges that the Construction must be designed and constructed in compliance with all applicable federal and state accessibility laws, including the Architectural Barriers Law (Art. 9102, Texas Revised Civil Statutes) and the Americans with Disabilities Act. Buyer's Construction plans and specifications for construction of the Finish-Out of the Unit ("**Unit's Construction Plans and Specifications**") must be reviewed and approved by the Seller, which consent shall not be unreasonably withheld, and by the Association pursuant to the procedures and provisions in the Condominium Documents, each at Buyer's sole cost, and prior to commencement of Construction. All contracts to be entered into by Buyer for Construction of the Finish-Out of the Unit ("**Construction Contracts**") must be reviewed and approved by the Seller, which consent shall not be unreasonably withheld, and by the Association pursuant to the procedures and provisions in the Condominium Documents, each at Buyer's sole cost, and prior to commencement of Construction. Buyer's Construction Contract shall contain the following provisions, compliance with which is a condition to contractors entry and presence on the Condominium Project: (1) Contractors shall obtain and furnish to the Association and Seller prior to commencement of construction and maintain throughout Construction insurance complying with the requirements of the Insurance Schedule attached hereto ("**Insurance Schedule and Contract Provisions**"). (2) Contractors are to furnish to the Association and to Seller a certificate of insurance complying with the requirements of the Insurance Schedule. (3) Contractors shall expressly acknowledge in a writing in form and substance delivered to the Association and to Seller that (a) the Construction is being completed for and on behalf of Buyer, and not on behalf of the Association, Declarant or Seller; (b) Buyer is not the agent or contractor for the Association, Declarant or Seller; (c) Contractor waives, and will obtain waivers from all of its subcontractors and suppliers, any lien against the Condominium Project except for Buyer's right, title and interest in Buyer's Unit; (d) the Construction is to be done in a good and workmanlike manner in accordance with the Unit's Construction Plans and Specifications approved by the Association, Declarant and Seller; (e) All Construction shall comply with applicable governmental laws, rules and regulations and all permits and approvals shall be obtained and a copy thereof furnished to the Association; (f) if required by the Association, Declarant or Seller, the contractor shall furnish payment and performance bonds covering faithful performance of the Construction, with the payment bond being a Texas Hardeman Act Bond recorded with the County Clerk prior to commencement of the Construction, issued by a corporate surety authorized to do business in Texas and licensed by the State of Texas to execute bonds a surety, in an amount at least equal to 100% of the contract sum of the Construction Contract, and shall name the Association as an additional obligee in addition to Buyer; and (g) the Construction Contract shall contain the Contract Provisions set out in the Schedule attached hereto, including a broad form indemnity indemnifying the Association, Declarant and Seller from all liability arising out of the contractor's work.

C4.3. Turnkey: Sale of a Finished-Out Unit.**ADDENDUM TO COMMERCIAL CONDOMINIUM CONTRACT****TURNKEY ADDENDUM**

This Addendum (the "**Finish-Out Contract**") is incorporated into and amends the Commercial Condominium Contract between the undersigned Seller and Buyer. In the event of any conflict between the provisions of this Addendum and the Contract, the provisions of this Addendum control. Seller may assign the obligation to construct the Finish-Out to a third party contractor. Upon assignment, Seller is released of the obligation of this Finish-Out Contract. This Addendum survives Closing.

1. FINISHED-OUT UNIT. The Unit is being sold by Seller to Buyer prior to completion of its construction. Seller and Buyer shall cause the Unit to be completed in an expeditious manner in substantial accordance with the Declaration, the Plans and Specifications for the Project, and the Unit's Construction Plans and Specifications. The building site provided by Seller includes water, sewer, electrical and telephone utilities extended to the boundary of the building site.

2. CONSTRUCTION. After commencement of construction of the Finish-Out, Seller will diligently proceed with the construction of the interior and exterior of the Shell of the Building (the "**Finish-Out**") on the Building Site, including obtaining and paying for all required permits and other governmental approvals, connection to utilities, including tap fees (collectively, the "**Construction**") and make all reasonable efforts to substantially complete the Finish Out (*select one*) within ___ calendar days or on or before _____ (the "**Projected Completion Date**"), subject to permitted delays as defined below. Seller shall commence construction of the Finish-Out within 10 days after the later to occur of the following: (a) Closing of the sale to Buyer has occurred; (b) the Construction Documents have been approved and initialed by both Seller and Buyer; (c) Seller or Buyer has obtained a construction loan or other financing acceptable to Seller; (d) building permits have been issued; and (e) Buyer has executed and delivered to Seller for recording any required mechanic's lien contract required by the Finish-Out lender, and Seller has received written notice from the lien holder and/or the title company insuring lien holder's security interest in the Property that all documents required to be recorded prior to the commencement of the Finish-Out have been properly recorded. The Projected Completion Date may be extended for one or more of the following causes: (a) Changes by Owner or Owner's representatives; (b) Failure of Owner to make selections as directed below, (c) Failure of Owner to make timely progress payments; (d) Prohibitive weather; (e) Fire or casualty loss; (f) Non-availability of labor or materials; (g) Delays caused by the applicable governmental entity's delay in issuing necessary permits; and (h) Other events beyond the Seller's reasonable control. Seller, within 30 days of a delay, shall give Buyer written notice of any extensions to the Projected Completion Date. The Construction shall comply with any applicable rules and regulations of the Association, including those provided to Buyer with the Condominium Documents. Buyer acknowledges that the Construction must be designed and constructed in compliance with all applicable federal and state accessibility laws, including the Architectural Barriers Law (Art. 9102, Texas Revised Civil Statutes) and the Americans with Disabilities Act. Seller shall prepare Construction plans and specifications for construction of the Unit ("**Construction Plans and Specifications**"), a construction schedule, and a budget, with allowances (the "**Budget**") (collectively together with this Contract, the "**Construction Documents**") to be reviewed and approved by the Buyer, which consent shall not be unreasonably withheld, delayed or conditioned, and by the Association pursuant to the procedures and provisions in the Condominium Documents, each at Buyer's sole cost, and prior to commencement of Construction. If the Construction Documents permit selections by Buyer, Buyer's selections will conform to Seller's normal standards as set out in the Construction Documents. Buyer will make required selections within 5 days after receipt of written notice from Seller ("**selection period**"). If Buyer does not make the selections within the selection period, Seller may at its election terminate this Finish-Out Contract. Allowance items ("**Allowances**") are any Finish-Out components shown in the Construction Documents for which a specified dollar amount is allotted to cover unknown

material or labor selections, such as fixtures, floor coverings, appliances, *etc.* Allowances include, without limitation, tax, material, shipping charges, and labor where applicable. In some cases, additional labor charges could be incurred. Selections of allowance items should be made at suppliers typically used by Seller to limit the possibility of unusual costs, delays, or lack of appropriate service. All overages in expenditures from allowance amounts will be treated as a Change Order as defined below. The Projected Completion Date, as set forth above, will be automatically extended if allowance items are not selected according to the Seller's selection schedule. Buyer will verify all selections with the supplier and provide Seller with the proper information for ordering. Buyer understands that some materials selected will have a wide variation in color, pattern, and texture. Natural materials such as wood and stone, *etc.* should be selected with care and be approved by Buyer for use before shipment to the job site. The additional material or labor cost for any waste, spoilage, breakage, or culling shall be applied to the allowance for that item and a change order for any overages will be executed by Buyer and Seller. No alterations, additions or deletions will be made in the Finish-Out, unless agreed to in writing by Buyer and Seller. Buyer shall have the right to make changes in the Finish-Out, including, but not limited to, changes which either decrease, increase, or modify the Finish-Out or extend or otherwise change the Completion Date, by giving Seller a written change order request ("**Change Order Request**"), setting forth in reasonable detail the nature of the change. To approve a proposed change, both Buyer and Seller shall sign a written agreement referred to as a Change Order. Upon receiving, from Buyer, a written request for such change, detailing the nature of the changes to be made, Seller shall present Buyer with a proposal for the changes including any additional costs of construction, additional Seller's fee of _____ and any extensions to the Completion Date. If Buyer accepts, in writing, Seller's proposal for changes, this Change Order will become a binding attachment to the Finish-Out Contract Documents. Any Buyer if more than one Buyer or officer or agent for a Buyer may sign the Change Order as agent for the other, and that signature of one Buyer shall be binding on the other. Failure of Buyer to approve Seller's proposal for changes within 3 days after receipt shall constitute a rejection of the proposal. Seller shall be reimbursed at \$_____ per Hr., with a minimum fifty dollars, for all expenses and effort incurred in the production of any Change Order proposal not accepted by the Buyer. Buyer shall pay for all agreed upon Change Orders including the additional Seller's fee to Seller within 3 business days after Buyer's acceptance of the proposal. Seller will not be obliged to proceed with any Finish-Out until any such amounts have been paid as agreed. Seller has no obligation to stop Finish-Out while change orders are being discussed. Notwithstanding the foregoing, Buyer agrees to execute Change Orders prepared by Seller for Changes in the Finish-Out (including any necessary increases to the Finish-Out Price) that may be necessary to: (1) Comply with applicable Governmental Requirements. (2) Provide structural integrity to the Improvements. (3) Route electrical, mechanical, or other systems included in the Finish-Out. (4) Avoid or correct any conditions which might result in defects or other warranty claims. (5) Correct or cure any omissions in the Construction Documents or any conditions not completely or correctly represented in the Construction Documents. (6) Notwithstanding the foregoing, Buyer agrees to execute Change Orders prepared by Seller for Changes in the Finish-Out (including any necessary increases to the Contract Price) that may be necessary to address overages in expenditures from Allowance amounts.

3. SCHEDULED INSPECTIONS. Buyer may have the Property inspected by an inspector selected by Buyer, licensed by TREC or otherwise permitted by law to make such inspections, at the following 3 milestones ("**Scheduled Inspections**"):

3.1 DRY WALL INSPECTION. Buyer is to inspect the Property upon completion of the interior dry wall partitioning for the Unit (the "**Dry Wall Inspection**"). Seller shall give Buyer at least 5 days' notice of dry wall completion. Buyer shall thereafter schedule Buyer's inspection with Seller for a time and date convenient for Seller within 7 days after dry wall completion. Buyer and Buyer's inspector must be accompanied by Seller during the Dry Wall Inspection.

3.2 SUBSTANTIAL COMPLETION. "**Substantial Completion**" is completion by Seller of the Finish-Out such that the city can issue a certificate of occupancy for Buyer's occupancy of the Finish-Out, but not necessarily free of minor punch list items ("**Substantial Completion**"). Buyer is to inspect the Finish-Out within 5 days of Seller notifying Buyer of Substantial Completion. Buyer must schedule the inspection ("**Substantial Completion Inspection**") for a time and date convenient for Seller.

Buyer's inspector must be accompanied by Seller during the Substantial Completion Inspection. At such time as Buyer is entitled to occupy the Unit, Seller shall be released from any further obligation or duty for the maintenance of insurance coverage with respect to the Property and/or the care, repair, maintenance and condition of the Property.

3.3 FINAL WALK THROUGH. Seller and Buyer shall schedule a final inspection of the Finish-Out as soon as reasonably practicable after Seller's notice to Buyer of Seller's completion of the punch list items identified in the Substantial Completion Inspection (the "**Final Walk Through**").

Attached to this Finish-Out Contract as an Exhibit are a Substantial Completion Inspection Worksheet and a Final Walk Through Acceptance which will be used by the parties for the Substantial Completion Inspection. Buyer is not to visit the or inspect Construction at any time other than at the Scheduled Inspections. A construction site is a dangerous place and Buyer is prohibited from entering the construction site before Closing except a the time of the Scheduled Inspections.

4. FINISH-OUT PRICE. *Select One:* Buyer agrees to pay Seller the sum of \$_____ or Buyer agrees to pay Seller a contract price equal to the sum of the "**Construction Costs**" (as defined in the Cost-Plus Addendum), plus a fee (the "**Builder's Fee**") as set out in the Cost-Plus Addendum (either, the "**Finish-Out Price**") as consideration for the construction and completion of the Finish-Out, subject to adjustment as allowed by this Addendum.

4.1 PAYMENTS. Should Buyer fail to make payment to Seller of the Finish-Out Price in any partial or final payment, when payment is due, then Buyer shall pay to Seller, in addition to the sum shown as due by such statement, interest at the maximum rate allowed by applicable federal and state law.

A. INITIAL PAYMENT - Prior to the commencement of the Work, Buyer shall pay to Seller _____% of the Finish-Out Price or \$_____ as a portion of the Finish-Out Price (the "**Initial Payment**"). Seller may use the Initial Payment for, among other things, initial Construction or pre-construction expenses, and as a portion of the Seller's fee. Notwithstanding anything herein to the contrary, the sum of \$_____ out of the Initial Payment shall be retained by the Seller if this Contract is terminated for any reason other than Seller's default.

B. PROGRESS PAYMENTS - During construction, as often as every other week, the Seller shall present Buyer with requests for payment ("**Progress Payment Request**"). Each payment ("**Progress Payment**") shall be made in normal construction phases or according to a draw schedule ("**draw schedule**") approved by Buyer, Seller, and interim lender, if any, and attached to this contract as an Exhibit, or provided by Seller after execution of this contract, Buyer shall cause these payments to be made to Seller within 2 business days following the receipt of the Progress Payment Request. In the event of a payment delay, Seller shall have the right to stop work progress until payment is made. Buyer and Seller agree that there will be no retainage of funds.

C. FINAL PAYMENT - The Final Payment (that portion of the Finish-Out Price not paid by previous payments as well as any Change Orders and Allowance variances) will be due and payable upon Final Completion of the Finish-Out.

4.2 ADJUSTMENTS. Increases in costs resulting from change orders or items selected by Buyer which exceed the Allowances, if any, specified in the Construction Documents will be paid by Buyer as follows. If Buyer desires any additions to or changes in the finish-out of the Buyer's Unit, then Buyer shall notify Seller in writing of such additions or changes. Seller shall have the right, in Seller's sole discretion, to approve or disapprove any such additions or changes and no such additions or changes shall be commenced until Buyer has approved, or been deemed to have approved the Condominium Documents and has obtained third party financing approval to purchase the Property. If Seller approves such changes, Seller shall notify Buyer in writing of the estimated cost thereof and Buyer shall deposit with Seller an amount equal to such estimate (the "**Change Order Deposit**") within 5 days

after the receipt of Seller's notice. Seller may commingle the Change Order Deposit with other funds of Seller. Seller shall not owe Buyer interest on the Change Order Deposit. The actual cost of such approved additions or changes shall be paid out of the Change Order Deposit. In the event the actual cost of such additions or changes exceeds the amount of the Change Order Deposit, then Buyer shall pay such excess to Seller within 5 days after receipt from Seller of notice of such excess or anticipated excess. In the event Seller has commenced such approved changes or additions and the Contract is thereafter terminated for any reason whatsoever, except Seller's default, then Seller shall be entitled to retain the balance of the Change Order Deposit as liquidated damages, and not as a penalty, due to such termination. Buyer acknowledges that the actual amount of Seller's damages would be impossible to determine. A decrease in costs resulting from change orders and unused allowances will reduce the Sales Price and loan amount accordingly.

5. WARRANTIES. Seller shall transfer to Buyer all manufacturers' warranties received by the Seller or any subcontractor. Seller will not be required to warrant, repair or correct any of the Work provided by any party other than the Seller or the Seller's subcontractors or employees. Seller shall not be obligated under any warranty given to Buyer until Seller has been paid in full. Seller shall correct any of the Finish-Out which is defective or which does not comply with the Construction Documents for a period of one year from the date of Substantial Completion of the Finish-Out. Buyer acknowledges that Buyer has received a copy of the "Limited Warranty and Service Procedures Agreement" (the "**Limited Warranty**") which is attached hereto as an Addendum and is incorporated herein by reference for all purposes. Buyer has accepted the limited warranty in lieu of any other warranties, expressed or implied, and all other warranties, including those of merchantability, habitability or fitness for a particular purpose, are waived by Buyer.

C5. Addenda and Schedules to Accompany C4 Addenda.

C5.1. Buyer Construction.

C5.1.1. Insurance Schedule and Construction Contract Addendum.

ADDENDUM TO COMMERCIAL CONDOMINIUM SALES CONTRACT

INSURANCE SCHEDULE AND CONSTRUCTION CONTRACT ADDENDUM

This Addendum is incorporated into and amends the Commercial Condominium Sales Contract between the undersigned Seller and Buyer. In the event of any conflict between the provisions of this Addendum and the Contract, the provisions of this Addendum control.

1. INSURANCE SCHEDULE. None of the requirements contained herein as to types, limits or Seller’s and Declarant’s approval of insurance coverage to be obtained and maintained by Buyer and its contractors shall in any manner limit or quantify the liabilities and obligations assumed by Buyer and its contractors under the Construction Documents. Attached hereto is an Exhibit are Insurance Schedules as to insurance required to be maintained by Buyer and its contractors during Construction. Also, attached are *pro forma* forms of Certificates of Insurance to be issued by the Buyer’s and its contractor’s insurance carriers.

2. CONSTRUCTION CONTRACT PROVISIONS. The construction contract between Buyer and its general contractor shall contain the provisions set forth in the Construction Contract Provisions Schedule attached hereto.

C5.1.2. Insurance Schedule.

INSURANCE SCHEDULE

This Insurance Schedule is attached to the incorporated into and amends the Commercial Condominium Sales Contract between the undersigned Seller and Buyer. In the event of any conflict between the provisions of this Schedule and the Contract, the provisions of this Schedule control. During Construction Buyer and its general contractor shall maintain insurance in form and substance acceptable to Seller, Declarant and the Association, including the following.

Insurance	Coverages	Other Requirements
Worker’s Compensation	Statutory Limits (if state has no statutory limit, \$1,000,000)	No “alternative” forms of coverage will be permitted.
Employer’s Liability	\$1,000,000 each accident for bodily injury by accident \$1,000,000 each employee for	

<p>Commercial General Liability (Occurrence Basis)</p>	<p>\$1,000,000 per occurrence \$2,000,000 general aggregate \$2,000,000 product-completed operations aggregate limit \$1,000,000 personal and advertising injury limit \$5,000 medical expense limit</p>	<ol style="list-style-type: none"> 1. ISO form CG 00 01 07 98, or equivalent. 2. Separation of insured language will not be modified. 3. Aggregate limit per location endorsement. 4. The contractual liability exclusion with respect to personal injury will be deleted. 5. Defense will be provided as an additional benefit and not included within the limit of liability.
<p>Business Automobile Liability (Occurrence Basis)</p>	<p>\$2,000,000 combined single limit</p>	<ol style="list-style-type: none"> 1. ISO form CA 00 01 10 01 or equivalent. 2. Includes liability arising out of operation of owned, hired and non-owned vehicles.
<p>Umbrella Liability Insurance (Occurrence Basis)</p>	<p>\$5,000,000</p>	<ol style="list-style-type: none"> 1. Written on an umbrella basis in excess over and no less broad than the liability coverages referenced above. 2. Inception and expiration dates will be the same as commercial general liability insurance. 3. Coverage must “drop down” for exhausted aggregate limits under the liability coverages referenced above. 4. Aggregate limit of insurance per location endorsement. 5. Aggregate limit per location endorsement. 6. Coverage must “drop down” for exhausted aggregate limits under commercial general liability insurance.
<p>Causes of Loss-Special Form (formerly “all risk”) Property Insurance Except to Extent Covered by Builder’s Risk</p>	<p>100% replacement cost including improvements and betterments.</p>	<ol style="list-style-type: none"> 1. ISO form CP 10 30, or equivalent. 2. Name Association and Owner as “insured as its interest may appear.” 3. Contain only standard printed exclusions. 4. Waiver of subrogation in favor of Association. 5. Ordinance or law coverage endorsement.

C5.1.3. Certificate of Liability Insurance

[Intentionally deleted.]

C5.1.4. Certificate of Property Insurance.

[Intentionally deleted.]

C5.1.5. Schedule of Provisions for Construction Contract.**SCHEDULE OF PROVISIONS FOR CONSTRUCTION CONTRACTS**

References to "**Association**" is to _____ Office Park Condominium Owners' Association, Inc., the property owners' association governing _____ Office Park, and to Condominium Developers, Ltd., the Declarant forming the Association, each of whom are to be contacted at _____, _____, Texas _____.

1. Evidence of Insurance. Evidence of the insurance coverage required to be maintained by the Contractor under this Contract, represented by Certificates of Insurance issued by the insurance carrier, must be furnished to the Owner, Association and Declarant prior to Contractor starting Work. Certificates of Insurance shall specify the insured status required herein, as well as the waivers of subrogation. All policies shall be issued by corporate insurers licensed to do business in the state of Texas and rated Policyholder's Rating of "A" and a Financial Size Rating of "7" or better by A. M. Best Company. Contractor shall evidence such insurance coverage by delivering to Owner, Association and Declarant Certificates of Insurance issued by the insurance companies underwriting such risks or their agency. The Certificates of Insurance shall be on an ACORD Form for Property Insurance and an ACORD Form for Liability Insurance, provided Owner, have been provided with a certified copy of all insurance policies, including all required endorsements, including endorsements dealing with additional insureds, loss payees, and waivers of subrogation, and such insurance policies and endorsements are in compliance with the requirements of the Contract Documents and provided (a) there is attached to the Certificate of Insurance a valid and binding Revised Cancellation Endorsement specifying the requirement of the carriers to give 30 day advance notice of cancellation or material change in the policies and the words "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted from the certificate form's cancellation provision; and (b) Owner, Association and Declarant are authorized to contact the issuing insurance agency and the insurance carriers to confirm the existence of the coverages. Attached hereto as Exhibit A is the form of Certificate of Insurance which is to be provided by Contractor to Owner, Association and Declarant. Timely renewal certificates will be provided to Owner, Association and Declarant as the coverage renews.

2. RELEASE AND WAIVER. Contractor hereby releases, and shall cause its Subcontractors to release, Owner, Association, Declarant and the other Indemnitees from any and all claims or causes of action whatsoever which Contractor and/or its Subcontractors might otherwise possess resulting in or from or in any way connected with any loss covered or which should have been covered by insurance, including the deductible portion thereof, maintained and/or required to be maintained by Contractor and/or its Subcontractors pursuant to the Contract Documents.

3. INDEMNIFICATION.

3.1. Scope. To the fullest extent permitted by applicable law, Contractor shall and does agree to indemnify, protect, defend and hold harmless the Owner, Association and Declarant, and their invitees, agents, successors and assigns, and their respective officers, directors, shareholders, employees and agents (collectively the "Indemnitees") from and against all claims, damages, losses, liens, fines, causes of action, suits, judgments, and expenses, including

attorney fees, of any nature, kind or description of any person or entity, directly or indirectly arising out of, caused by, or resulting from (in whole or in part), (1) the Work performed hereunder, or any part thereof, (2) the Contract Documents, or (3) any act, omission, negligence, gross negligence, willful misconduct, or breach of warranty, express or implied of Contractor, any Subcontractor, anyone directly or indirectly employed by them, or anyone that they control or exercise control over, (collectively the "Liabilities"). Such Liabilities include but are not limited to injuries to or death of any person (including Contractor's or any subcontractor's employees) or damage to or loss of property occurring in, on or about the job site. The obligations of Contractor under this indemnification shall apply to Liabilities even if such Liabilities are caused in part by the negligence or strict liability of any Indemnitee. Contractor shall promptly advise Owner, Owner, Association, Declarant and the other Indemnitees in writing of any action, administrative or legal proceeding or investigation as to which this indemnification may apply, and Contractor, at Contractor's expense, shall assume on behalf of Owner, Association, Declarant and the other Indemnitees and conduct with due diligence and in good faith the defense thereof with counsel satisfactory to Owner, Association, and Declarant; provided, however, that Owner, Association, Declarant and the other Indemnitees shall have the right, at their respective expense, to be represented therein by advisory counsels of their own selection and at their own expense. In the event of failure by the Contractor to fully perform in accordance with this indemnification paragraph, Owner and/or the other Indemnitees, at their respective option, and without relieving Contractor of its obligations hereunder, may so perform, but all costs and expenses so incurred by Owner and/or the other Indemnitees in that event shall be reimbursed by Contractor to Owner and the other Indemnitees, together with interest on the same from the date any such expense was paid by Owner or the other Indemnitees until reimbursed by Contractor, at the rate of interest provided to be paid on judgments under the laws of the State of Texas. This indemnification shall not be limited to damages, compensation or benefits payable under insurance policies, workers' compensation acts, disability benefit acts or other employees' benefit acts.

3. Payment and Performance Bonds. Contractor shall furnish bonds ("**Performance and Payment Bonds**") covering faithful performance of the Construction Documents and payment of obligations arising there under. The payment bond shall be a Texas Hardeman Act Bond, and sufficient for recording with the County Clerk (including the notarization of the signatures of the contractor and the Owner by a notary public) and by a corporate surety authorized and admitted to do business in Texas and licensed by the State of Texas to execute bonds as surety. The payment bond shall **NOT** be on an AIA bond form. The Performance and Payment Bonds shall name Owner as the "Owner" and insured and shall have attached thereto a Multiple Obligee Rider naming the Association and any mortgagee as co-obligees. The amount of each bond shall be equal to at least 100% of the contract sum of the construction contract. The Contractor shall deliver the executed original required bonds to the Owner with copy to the Association before commencement of construction and shall not commence construction until after the bonds are filed for record. Contractor shall require the attorney-in-fact who executes the required bonds on behalf of the surety to affix thereto a certified and current copy of the power of attorney.

C5.1.6. Payment Bond and Dual Obligee Rider.

[Intentionally left blank]

C5.2. Seller Construction.**ADDENDUM TO COMMERCIAL CONDOMINIUM SALES CONTRACT****SALE OF A FINISHED-OUT UNIT – COST PLUS ADDENDUM**

This Addendum is incorporated into and amends the Commercial Condominium Sales Contract between the undersigned Seller and Buyer. In the event of any conflict between the provisions of this Addendum and the Contract, the provisions of this Addendum control.

1. CONSTRUCTION COSTS. For the purposes of this Contract, "**Construction Costs**" are defined as those cost categories listed in the attached Schedule of Estimated Construction Costs. Any amounts shown on the Schedule of Estimated Construction Costs are estimates only and do not guarantee or set any sum as the actual cost of any listed category. In the absence of a Schedule of Estimated Construction Costs, Construction Costs are defined as all costs incurred by the Seller as a result of the Work, except for the following costs, which shall be paid by the Seller from the Builder's Fee: (1) Salaries, wages, and other compensation for the Seller or the Seller's personnel stationed at the Seller's offices or at other sites not related to the Finish-Out. (2) Expenses and operating cost of the Seller's offices. (3) General overhead expenses of the Seller. (4) Marketing and promotional expenses of the Seller. (5) Capital and bank expenses of the Seller. (6) Any costs not related to the Finish-Out.

2. BUILDER'S FEE. The Builder's Fee is \$_____.

3. PAYMENTS. Final Payment shall also include all those costs projected or anticipated by the Seller for invoices not yet received, however, additional costs may be incurred for those items, if any, listed in the Certificate of Substantial Completion. Buyer agrees to pay any additional costs or expenses incurred after Substantial Completion, promptly upon request of Seller.

C5.3. Pre-Closing Walk-Through Inspection.

TURNKEY CONTRACT

BUYER PRE-CLOSING WALK-THROUGH INSPECTION

(Check mark each approved item or note defect.)

PLUMBING:

- 1. Name of plumbing company _____
Phone # _____
- 2. Instruction on use of single-lever faucets (emphasize cleaning of aerator) and show water cut off.
- 3. Hot water heater:
 - A. Popoff valve and line.
 - B. If water not hot, check pilot light or breaker first.
 - C. Always turn off gas or electricity if draining tank completely.
 - D. Periodically flush tank.

Note: If after move-in, plumbing is stopped up as a result of Buyer's conduct (e.g. diapers, toys, etc. in line) Buyer will be billed for the call.

ELECTRICITY:

- 1. Name of electrician _____
Phone # _____
- 2. Show Buyer which plugs are switch controlled.
- 3. Correct size light bulbs stamped on fixtures.
- 4. Purpose of Ground Fault Interrupter (GF) and how to reset.

HEATING AND AIR CONDITIONING.

- 1. Name of conditioning company _____
Phone # _____
- 2. Location and operation of thermostat.
- 3. Location of filters. Should be changed every 30 days, year round.

- 4. Full 1-year warranty plus 4-years' warranty on Compressor.

GENERAL INSIDE:

- 1. Vinyl floors.
- 2. Carpet
- 3. Interior paint.
- 4. Observed drywall conditions.
- 5. Doors:
- 6. Do not use strong cleaning products or abrasive material on marble and fiberglass.
- 7. Wallpaper.

GENERAL OUTSIDE:

- 1. Explain function and importance of weep holes and expansion joints. Keep soil 2" below weep holes.
- 2. Show location and operation of breaker box and ground wire.
- 3. Explain A/C cut-of and breaker box.
- 4. Show location and explain secondary A/C drain. Call A/C contractor if water pours out secondary.
- 5. Show location and explain sink and sewer clean-outs (in case of emergency if sewer back up, remove clean-out plug and allow sewer to overflow outside).
- 6. Grass and shrubs are alive when planted but need care by Buyer.

THE FOLLOWING ITEMS HAVE ALSO BEEN INSPECTED:

- _____ . _____ .
- _____ . _____ .
- _____ . _____ .

ALL WARRANTIES ISSUED BY MANUFACTURERS HAVE BEEN RECEIVED.

(Buyer's Signature)

I HAVE INSPECTED AND DISCUSSED THE OFFICE SUITE, INCLUDING EACH OF THE ABOVE ITEMS WITH BUILDER OR REPRESENTATIVE. I UNDERSTAND AND HAVE BEEN INSTRUCTED IN THE USE AND CARE OF THE ABOVE ITEMS AND FIND OFFICE SUITE, INCLUDING SUCH ITEMS, SATISFACTORY WITH THE FOLLOWING EXCEPTIONS, IF ANY:

EXCEPTIONS: _____

I UNDERSTAND THIS ORIENTATION TOUR IS CONDUCTED TO ASSIST ME IN UNDERSTANDING VARIOUS APPLIANCES AND LOCATION OF ITEMS RELATING TO ELECTRICAL, PLUMBING, AIR CONDITIONING AND HEATING OPERATION. THIS ORIENTATION DOES NOT AFFECT ANY PROTECTION GRANTED UNDER THE WARRANTY ISSUED FOR MY PROTECTION WHEN PURCHASING THE OFFICE SUITE. BUYER ACKNOWLEDGES AND COVENANTS THAT BUYER HAS INSPECTED THE PROPERTY AND IMPROVEMENTS AND ACCEPTS THEM WITHOUT OBJECTION, EXCEPT AS MAY BE NOTED ABOVE AND BUYER'S SIGNATURE HEREON SHALL CONSTITUTE BUYER'S ACKNOWLEDGMENT AND ACCEPTANCE OF THE CONSTRUCTION AS BEING IN COMPLIANCE WITH BUYER'S REQUIREMENTS AND AS SUBSTANTIAL COMPLIANCE BY SELLER WITH ALL PLANS AND SPECIFICATIONS REGARDING THE CONSTRUCTION OF SUCH IMPROVEMENTS.

I CERTIFY THAT THIS FORM WAS COMPLETED AT THE TIME OF THE WALK-THROUGH AND WAS SIGNED BY THE BUYER AT THAT TIME.

Buyer Date

C6. TREC Forms.

[Intentionally left blank]

C7. Special Provisions Addendum.

SPECIAL PROVISIONS ADDENDUM TO COMMERCIAL CONDOMINIUM SALES CONTRACT

This is a Special Provisions Addendum to the Commercial Condominium Sales Contract (the “**Special Provisions Addendum**”) between _____ Office Park, L.P. (which entity together with its successors and assigns is called the “**Seller**”) and the undersigned Buyer (which contract together with all Addendums thereto is called the “**Contract**”). The provisions of this Special Provisions Addendum amend and supersede any provisions of the Contract executed prior to the execution of this Special Provisions Addendum to the contrary and set forth additional understandings and agreements between Buyer and Seller. The provisions of the Commercial Condominium Sales Contract are incorporated herein by this reference for all purposes.

Date: _____

BUYER:

(Name)
(Title)

SELLER:

Condominium Developer, Ltd.

By: _____, L.L.C.

By: _____

President

D. Closing Document Package.

D1. Deed.

CONDOMINIUM WARRANTY DEED WITH VENDOR'S LIEN

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

STATE OF TEXAS §
 §
COUNTY OF _____ §

KNOW ALL PERSONS BY THESE PRESENTS:

A. **Conveyance.**

THAT Condominium Developer, Ltd., a Texas limited partnership (together with its successors and assigns are hereinafter called "**Grantor**"), for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00), and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, in hand paid by _____ (together with _____ heirs [*successors*] and assigns [*is/are*] hereinafter called "**Grantees**"), and the further consideration of the execution of a Promissory Note in the original principal amount of _____ AND NO/100 DOLLARS (\$_____), executed by Grantees, payable to the order of _____ ("**Lender**"), which is described in and additionally secured by Deed of Trust executed by _____ to _____, Trustee and encumbering the Property, has GRANTED, SOLD and CONVEYED, and by these presents does hereby GRANT, SELL and CONVEY unto Grantees all of the following described property (the "**Property**"):

1. **Condominium.** Condominium Unit No.____ together with the related undivided interest in the common elements in the Condominium Project established by the condominium regime as to the real property located in _____ County, Texas, and more particularly described in Exhibit A attached hereto and made a part hereof for all purposes (the Condominium together with the related interest in the common elements referred to herein as the "**Condominium Unit**"); together with

2. **Rights and Appurtenances.** The benefits, privileges, easements, tenements, hereditaments and appurtenances thereon or in anywise appertaining thereto, (herein called the "**Rights and Appurtenances**");

B. **Qualifications.**

This conveyance is made and accepted, however, subject to the following qualifications ("**Qualifications**"):

1. **Exceptions.** Any and all restrictive covenants, conditions, easements, agreements, reservations, rights-of-way, and restrictions relating to the Property described herein, but only to the extent they are still in effect including but not limited to the matters referenced in Exhibit B hereto.

2. **Easements and Encroachments.** Visible and apparent, but unrecorded easements, if any; and any encroachments or overlapping of improvements.

3. **Condominium Documents.** The provisions of the Declaration, the liens granted to the _____ Office Park Condominium Owners' Association, Inc. (the "**Association**") to secure the payment of Common Expenses and Assessments of the Association, the provisions of the Certificate of Formation and Bylaws of the Association, and the Rules and Regulations and Resolutions adopted by the Association or the Board of Directors thereof.

4. **Laws and Regulations.** All ordinances and municipal and governmental regulations, relating to the Property.

5. **Taxes.** The liens for all governmental assessments and ad valorem taxes for the year 2013 and all subsequent years; the payment of which are hereby assumed by Grantees.

6. **As Is.** GRANTEES ACKNOWLEDGE AND AGREE, BY GRANTEES' ACCEPTANCE HEREOF, THAT THE PROPERTY IS CONVEYED "**AS IS**", "**WHERE IS**" AND "**IN ITS PRESENT CONDITION**" "**WITH ALL FAULTS.**" TO THE EXTENT PERMITTED BY LAW, GRANTEES WAIVE ANY AND ALL WARRANTIES, EXPRESSED OR IMPLIED BY LAW, BY GRANTOR INCLUDING THE IMPLIED WARRANTIES OF GOOD WORKMANLIKE CONSTRUCTION, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, AND AGREE AND ACKNOWLEDGE THAT GRANTOR HAS NOT MADE, DO NOT MAKE AND SPECIFICALLY DISCLAIM ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO: (A) THE NATURE, QUALITY OR CONDITION OF SUCH REAL PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY; (B) THE INCOME TO BE DERIVED FROM THE PROPERTY; (C) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH GRANTEES MAY CONDUCT THEREON; (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; (E) THE MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF SUCH PROPERTY; OR (F) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY. GRANTEES FURTHER ACKNOWLEDGE AND AGREE THAT GRANTEES HAVE BEEN GIVEN THE OPPORTUNITY TO INSPECT THE REAL PROPERTY, THAT GRANTEES ARE PURCHASING THE PROPERTY PURSUANT TO GRANTEES' INDEPENDENT EXAMINATION, STUDY, INSPECTION AND KNOWLEDGE OF THE PROPERTY AND GRANTEES ARE RELYING UPON GRANTEES' OWN DETERMINATION OF THE VALUE OF THE PROPERTY AND USES TO WHICH THE PROPERTY MAY BE PUT, AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY GRANTOR. GRANTEES WAIVE AND RELEASE ANY CLAIM GRANTEES HAVE, MIGHT HAVE HAD OR MAY HAVE AGAINST GRANTOR RELATING TO THE CONDITION OF THE PROPERTY, EITHER PATENT OR LATENT, INCLUDING ARISING OUT OF GRANTEES' INABILITY TO OBTAIN OR MAINTAIN BUILDING PERMITS, CERTIFICATES OF OCCUPANCY OR OTHER LICENSES FOR THE USE OR OCCUPANCY OF THE PROPERTY. GRANTEES ACKNOWLEDGE THAT THE SALES PRICE REFLECTS THE SALE OF THE PROPERTY TO GRANTEES ON THE AS IS BASIS AND WITH WAIVER OF CLAIMS AGAINST THE GRANTOR CONTAINED IN THIS PROVISION. THIS PROVISION SHALL SURVIVE THE DELIVERY OF THE DEED TO GRANTEES.

C. **Title Warranty.**

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto Grantees, Grantees' heirs [*successors*] and assigns, forever; and Grantor hereby binds Grantor's successors and assigns, to warrant and forever defend all and singular the said premises unto Grantees, Grantees' heirs [*successors*] and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through and under Grantor, but not otherwise, subject to the Qualifications referenced herein.

D. **Vendor's Lien.**

The vendor's lien against and superior title to the property are retained and hereby assigned to Lender, without recourse on Grantor, until the Note described above is fully paid according to its terms, at which time this Deed shall become absolute.

DATED the ____ day of _____, 2013.

GRANTOR:

Condominium Developer, Ltd.,
a Texas limited partnership

By: _____, L.L.C.

By: _____
(Name) _____
(Title) _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2013, by _____, _____ of _____, L.L.C., a Texas limited liability company, sole general partner of Condominium Developer, Ltd., a Texas limited partnership, in said capacity and on behalf of said limited liability company and limited partnership.

NOTARY PUBLIC, State of Texas

EXHIBIT A

Condominium No. _____, Building _____ in _____ Office Park, a Condominium, located in _____ County, Texas, pursuant to the Condominium Regime established by the Declaration of Covenants, Conditions and Restrictions for _____ Office Park, A Condominium (the "**Condominium Declaration**") and the Bylaws and Exhibits attached thereto recorded as Instrument No. _____ in the Official Records of _____ County, Texas;

together with an undivided 1/11th interest in and to the Common Elements and those Limited Common Elements thereto as set forth in the Declaration.

EXHIBIT B

Title Exceptions

- (1) Restrictive covenants applicable to the platted subdivision in which the Property is located.
- (2) Liens created as part of any financing by Grantees.
- (3) Utility easements created by the Condominium Documents or plat of the subdivision in which the Property is located.
- (4) Any and all other covenants, conditions, easements, agreements, reservations, rights-of-way and restrictions affecting the Condominium and of record as of the date, including easements reserved or granted by Grantor in connection with the development of the Condominium or developing adjacent property, and management agreements, service contracts and other agreements not of record executed by the Grantor prior to the formation of the Association or by the Association after its formation, including by the Association during the Declarant Control Period.
- (5) Any discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements, including any matter that would be disclosed by a current survey of the Property.
- (6) Rights of parties in possession of portions of the Project Property other than the Suite being purchased by Grantees.
- (7) Such zoning or other restrictions upon the use of the Property as may be imposed by governmental authorities having jurisdiction thereof.
- (8) Liens for work done or materials furnished at the request of Grantees.
- (9) The following:

AFTER RECORDING RETURN TO:

GRANTEES' ADDRESS:

D2. Management Certificate.

[See form at **Tab B7**].

D3. Seller's Assignment of Manufacturer's Limited Warranties.

SELLER'S ASSIGNMENT OF MANUFACTURERS' LIMITED WARRANTIES

SELLER: Condominium Developer, Ltd.

BUYER: _____

CONDOMINIUM: Unit No. _____, in Building _____, of _____ Office Park, A
Condominium, located at _____, Texas.

Seller assigns and passes through to Buyer the manufacturers' and suppliers' warranties, if any, on every appliance, piece of equipment and other item within the Unit which is a "consumer product" for purpose of the Magnuson-Moss Warranty Act (15 U.S.C.A. Sec. 1301-2312) including the following Limited Warranties issued by the manufacturers of appliances and consumer products built into the above-referenced Unit:

Date Signed: _____, 2013

SELLER:

Condominium Developer, Ltd.

By: _____, L.L.C.

By: _____
_____, President

D4. Partial Release of Liens.

PARTIAL RELEASE OF LIENS

STATE OF TEXAS §
 §
COUNTY OF _____ §

_____, a national banking association ("**Bank**"), is the present legal and equitable owner and holder of the indebtedness (the "**Indebtedness**") and liens (the "**Liens**") described on Exhibit A hereto.

For \$_____ and other good and valuable consideration, Bank hereby RELEASES and DISCHARGES the property described on Exhibit B attached hereto (the "**Unit**") from any and all liens in favor of the Bank, including but not limited to the Liens described on Exhibit A; except it is understood and agreed that this is a PARTIAL RELEASE and that this instrument shall in no wise release, affect or impair said lien or liens against any other property in said instruments mentioned and not previously released by partial releases of liens filed of record.

Dated the ____ day of _____, 2013.

Bank:

By: _____, President

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2013, by _____, the President of the _____, a _____, on behalf of said _____.

NOTARY PUBLIC, State of Texas

EXHIBIT A

Liens

The Promissory Note in the original principal amount of \$_____ executed by _____, Ltd. dated _____, 201_ and payable to the order of the _____ and secured by a Deed of Trust and Security Agreement- Financing Statement of even date therewith, which Deed of Trust is recorded in Volume _____, Page _____ in the Official Public Records, _____ County, Texas with an approximate unpaid balance of \$_____ as of _____, 201__.

EXHIBIT B

Unit

Condominium No. ____ in _____ Office Park, A Condominium, located in _____ County, Texas, pursuant to the condominium regime established by the Declaration of Covenants, Conditions and Restrictions for _____ Office Park, A Condominium and the Bylaws and Exhibits attached thereto recorded in the Official Public Records of _____ County, Texas and in Volume _____, Page _____ *et seq.* of the Official Public Records of _____ County, Texas, as the same is amended from time to time (the "**Declaration**"); together with its appurtenant interest in and to the general common elements and those limited common elements assigned thereto as set forth in the Declaration or by resolution of the Board of Directors of the condominium regime; and all personal property associated therewith.

AFTER RECORDING RETURN TO:

D5. Promissory Note.**NOTE**

FOR VALUE RECEIVED, this the _____ day of _____, 2013, the undersigned, _____, (herein called "**Buyer**"), hereby promises to pay to the order of Condominium Developer, Ltd., a Texas limited partnership (herein together with all subsequent holders hereof called "**Seller**"), at _____, _____, Texas _____, or at such other address as the Seller hereof may from time to time designate in writing to Buyer, the principal sum of \$_____, or so much thereof as may be payable pursuant to the Commercial Condominium Sales Contract and Addendum (the "**Contract**") thereto executed by Buyer and Seller contemporaneously herewith, together with interest on the principal balance, until paid, at the rate hereinafter provided.

1. **Maturity Date.** As used herein, the "**Maturity Date**" for this Note shall be on _____, 200____, if not demanded sooner, or as may be extended by written agreement of the Seller.

2. **Payment of Principal and Interest.** This Note is payable in installments as follows: monthly on the 1st day of each month or more frequently as draw request are made as progress payments as provided in the Contract as construction progresses, with the unpaid balance due on the Maturity Date. Prior to the Maturity Date, the outstanding principal balance hereof shall accrue interest at a fluctuating rate equal to the lesser of (a) the Maximum Rate (as hereinafter defined) or (b) a rate of interest of 6% per annum (the "**Stated Rate**"). After the Maturity Date, the outstanding principal balance hereof shall accrue interest at a fluctuating rate equal to the lesser of (a) the Maximum Rate (as hereinafter defined) or (b) a rate of interest of 10% per annum. All unpaid principal and accrued and unpaid interest shall be due and payable on the Maturity Date.

3. **Limitation On Interest.** As used herein, the term "**Maximum Rate**" means the greatest of the nonusurious rates of interest permitted to be charged by applicable federal or Texas law (whichever shall permit the higher lawful rate) from time-to-time in effect. It is expressly stipulated and agreed to be the intent of Buyer and Seller to at all times comply strictly with the applicable usury laws now or hereafter governing consideration received under the Note, Security Documents or any other agreements between the parties. All consideration paid to the Seller hereof in consideration for the loan evidenced by this Note that constitutes interest under applicable law shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full term of such indebtedness (including the period of any renewal or extension hereof) so that the rate of interest on account of such indebtedness does not exceed the usury ceiling from time to time in effect and applicable to the loan evidenced by this Note for so long as the debt is outstanding. The provisions of this paragraph shall control all agreements between the Buyer and the Seller hereof.

4. **Default.** It is expressly provided that (i) if default occurs in the punctual payment of this Note, or any part hereof, principal or interest, as the same shall become due and payable, or (ii) if default occurs in the performance of or compliance with any of the terms of this Note, the Contract or the Deed of Trust securing this Note (the "**Security Documents**") creating liens on the property securing this Note (the "**Property**"), then, at the option of the Seller, the entire indebtedness evidenced hereby shall be matured if not cured by Buyer after Notice of Default and within the Notice and Cure Period hereinafter provided, and in the event default is made in the prompt payment of this Note when due or declared due or in the event of a default under the any of the Security Documents, and the same is placed in the hands of an attorney for collection, or suit is brought on the same, or the same is collected through probate, bankruptcy or other judicial proceedings, then the Buyer agrees and promises to pay reasonable attorney's fees, court costs and costs of collection incurred by the Seller. Upon the occurrence of an event of default or a breach of any provision of any of the Security Documents, before Seller exercises any right or remedy available to it whether under the Security Documents, at law, in equity or otherwise, Seller shall give written notice thereof ("**Notice of Default**") to Buyer setting forth the event or events of default

or breach of any provision of any of the Security Documents. Seller shall not exercise any such right or remedy provided for such event of default or such breach, and Buyer shall have the opportunity to cure such event of default within the following time periods ("**Notice and Cure Period**"):

(a) With respect to default as to a monetary payment ("**Monetary Default**"), the expiration of 10 days after Notice of Default;

(b) With respect to any default other than a Monetary Default ("**Non-monetary Default**"), the expiration of 30 days after Notice of Default; provided, however, that if such Non-monetary Default is of a nature that it cannot be cured within such 30 day period, the Buyer shall not be in default if Buyer commences good faith efforts to cure such default within said 30 day period, demonstrates continuous diligent efforts to cure such event of default in a manner reasonably satisfactory to Seller and, within a reasonable period, not to exceed 90 days after the date of Notice of Default was received by Buyer, completes the cure of such default. Buyer understands that under Texas law Buyer has, unless waived, the right to notice of Seller's intent to accelerate the principal balance of this Note, the right to notice of the actual acceleration of the principal balance of this Note, and the right to presentment of this Note by Seller's demand for payment. Buyer also understands that Buyer can waive these rights. By Buyer's execution of this Note, each Buyer and all sureties, endorsers, guarantors and any other party now or hereafter liable for the payment of this Note in whole or in part, hereby severally (i) waive demand (except as otherwise specifically set forth in this Note), presentment for payment, notice of nonpayment, protest, notice of protest, notice of intent to accelerate, notice of acceleration and all other notices, filing of suit and diligence in collecting this Note or enforcing any of the security for this Note, (ii) agree to any substitution, subordination, exchange or release of any of such security or the release of any party primarily or secondarily liable hereon, (iii) agree that the Seller hereof shall not be required first to institute suit or exhaust its remedies hereon against the Buyer, or any one of them, or others liable or to become liable hereon, or to enforce its rights against them or any security therefor, and (iv) consent to any extension or postponement of time of payment of this Note and to any other indulgence with respect hereto without notice thereof to any of them and without affecting their liability hereunder.

THIS LOAN IS PAYABLE IN FULL ON OR BEFORE THE MATURITY DATE HEREIN STATED. AT THAT TIME, YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE, AND THE SELLER IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. THIS WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

<p>Buyer</p> <p>_____ (Name)</p> <p>By: _____</p> <p>_____ (Print Name and Title)</p>	<p>Guarantor: Buyer's obligations on Note and Security Documents guaranteed by</p> <p>_____ (Print Name)</p>
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D6. Deed of Trust.

DEED OF TRUST

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

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

This Deed of Trust is executed by and among _____, whose address is set out at the end of this Deed of Trust (which together with its successors and assigns are herein called "Buyer"), and Condominium Developer, Ltd., a Texas limited partnership (which together with its successors and assigns are herein called "Seller"), and the hereinafter named Trustee, its successors and substitutes ("Trustee").

Article 1

Creation of Encumbrance

1.1 Deed of Trust Lien. THAT Buyer for the purpose of securing the Obligations hereinafter described to and for the benefit of Seller, and in consideration of the sum of Ten Dollars (\$10.00) to Buyer in hand paid by the Trustee hereinafter named, the receipt of which is hereby acknowledged, and for the further consideration of the uses, purposes and trusts hereinafter set forth, have granted, sold and conveyed, and by these presents do grant, sell and convey unto _____, Trustee, whose address is set out on the last page hereof and his substitutes or successors in trust (collectively, the "Trustee"), all of the following (sometimes called herein the "Property" or the "Unit"):

a. Unit and Improvements. Unit _____, _____ Office Park, A Condominium located at _____, _____, _____ County, Texas _____, described in the Declaration of Covenants, Conditions and Restrictions for _____ Office Park, A Condominium recorded with the _____ County Clerk in the Official Records for _____ County, Texas; any now or hereafter improvements located in, on or under the Unit; and the benefits, privileges, permits, easements, tenements, hereditaments, water, riparian or littoral rights, roads, strips or gores of land adjacent to any of the Property, and appurtenances thereon or in anywise appertaining thereto and all right, title and interest of Buyer in and to all streets, roads, easements, rights-of-way, licenses, rights of ingress and egress, existing or proposed, abutting, adjacent, used in connection with or pertaining to the Unit or the Improvements; and all water and water rights, timber, crops and mineral interests in, on, under or pertaining to the Unit; and

b. Other Property Rights. All right, title and interest of Buyer in and to (1) all streets, roads, alleys, easements, rights-of-way, licenses, rights of ingress and egress, vehicle parking rights and public places, existing or proposed, abutting, adjacent, used in connection with or pertaining to the Unit or the Improvements; (2) all fixtures, now or hereafter on the Unit; (3) all building and construction materials, supplies, and articles of personal property, of every kind and character, now owned or hereafter acquired by Buyer, which are now or hereafter attached to or situated in, on or about the Unit or the Improvements, or used in or necessary to the complete and proper planning, development, use, occupancy or operation thereof, or acquired (whether delivered to the Unit or stored elsewhere) for use or installation in or on the Unit or the Improvements, and all renewals and replacements of, substitutions for and additions to the foregoing; (4) all permits, licenses, franchises, certificates,

commitments and rights for utilities, and other rights and privileges obtained from Seller in connection with the Property; (5) all (i) plans and specifications for the Improvements; (ii) Buyer's rights, but not liability for any breach by Buyer, under all commitments (including any commitment for financing to pay any of the Obligations), insurance policies and other contracts and general intangibles (including but not limited to trademarks, trade names and symbols) related to the Property or the operation thereof; (iii) deposits (including but not limited to Buyer's rights in tenants' security deposits, deposits with respect to utility services to the Property, and any deposits or reserves hereunder or under any of the agreements for the Projects, taxes, insurance or otherwise), money, accounts, instruments, documents, notes and chattel paper arising from or by virtue of any transactions related to the Property; (iv) permits, licenses, franchises, certificates, development rights, commitments and rights for utilities, and other rights and privileges obtained in connection with the Property; (v) leases, rents, royalties, bonuses, issues, profits, revenues and other benefits of the Property; (vi) construction contracts, design and engineering services contracts and related plans and specifications, payment and performance bonds, fiscal security posted with governmental authorities; and (vii) engineering, accounting, title, legal, and other technical or business data concerning the Property which are in the possession of Buyer or in which Buyer can otherwise grant a security interest; (6) all proceeds of or arising from the Property (other than leases and rents); and (7) all rights, titles and interests referred to above, including but not limited to proceeds of any sale or other disposition thereof, proceeds of the taking thereof or of any rights appurtenant thereto, by eminent domain or transfer in lieu thereof for public or quasi-public use under any law, and proceeds arising out of any damage thereto; rights of ingress and egress and remainders, reversions and reversionary rights or interests;

to secure the performance and payment of the Secured Obligations of Buyer to Seller and to such person's heirs, successors and assigns. This instrument together with all renewals, extensions, and amendments hereto is referred to as the "**Deed of Trust**".

TO HAVE AND TO HOLD the Unit, together with the rights, privileges and appurtenances thereto belonging unto the Trustee, and to his substitutes or successors forever. And Buyer does hereby bind itself, its successors and assigns to warrant and forever defend the Unit unto the Trustee, his substitutes or successors and assigns forever, against the claim, or claims, of all persons claiming or to claim the same or any part thereof, by, through, and under Buyer, but not otherwise, and subject to the Permitted Encumbrances referenced herein.

1.2 Security Interest. Buyer hereby grants to Seller a security interest in all of the Unit to secure the payment and performance of the Secured Obligations. In addition to its rights hereunder or otherwise, Seller shall have all of the rights of a secured party under the Texas Business and Commerce Code, or under the Uniform Commercial Code in force in any other state to the extent the same is applicable law.

1.3 Permitted Encumbrances. This conveyance is made and accepted subject to the following qualifications (the "**Permitted Encumbrances**"): the presently existing and valid reservations and conveyances of oil, gas and other minerals, easements, rights-of-way, plats, agreements, and restrictive covenants affecting the Unit and of record in the office of the County Clerk of the Unit's location; statutory liens for ad valorem taxes and standby fees on the Unit which are not yet delinquent, presently existing visible and apparent, but unrecorded easements, if any; presently existing encroachments or overlapping of improvements; and discrepancies, conflicts or shortages in area or boundary lines; and all laws and regulations affecting the Unit, including zoning laws, platting laws, environmental laws and municipal and governmental ordinances and regulations, relating to the Unit.

1.4 Title. Buyer, and Buyer's successors and assigns, will warrant and forever defend title to the Unit, subject as aforesaid, by, through, and under Buyer, but not otherwise, to Trustee and his successors or substitutes and assigns, against the claims and demands of all persons claiming or to claim the same or any part thereof. Buyer will punctually pay, perform, observe and keep all covenants, obligations and conditions in or pursuant to any Permitted Encumbrance. Buyer will pay, or cause to be paid, all taxes, assessments, and other charges or levies imposed upon or against or with respect to the

Unit or the ownership, use, occupancy or enjoyment of any portion thereof, or any utility service thereto, as the same become due and payable (subject to the right of Buyer in good faith to contest any such tax or the amount or method of calculation thereof), including but not limited to all ad valorem taxes assessed against the Unit or any part thereof, and shall deliver promptly to Seller such evidence of the payment thereof as Seller may require.

1.5 Payment and Performance. Buyer will make due and punctual payment and performance of the Secured Obligations. Buyer will timely and properly perform and comply with all of the covenants, agreements, and conditions imposed upon Buyer by this Deed of Trust and will not permit a default to occur hereunder or there under.

Article 2

Secured Obligations

2.1 Secured Obligations. This conveyance, however, is made in TRUST to secure payment and performance of the Note in the original principal amount of \$_____ executed by Buyer and payable to the order of Seller on or before _____, 2013, if not demanded sooner (and all renewals, extensions and modifications thereof, the "**Note**", the Buyer's obligations under the Commercial Condominium Sales Contract dated _____, 2013 executed by Buyer and Seller and this Deed of Trust (the "**Secured Obligations**").

2.2 Payment and Performance. Should Buyer do and perform all of the covenants and agreements herein contained, and make prompt payment of said Secured Obligations as the same shall become due and payable, then this conveyance shall become null and void and of no further force and effect, and shall be released at the expense of Buyer, by Seller.

Article 3

Default and Remedies

3.1 Protective Actions. Upon the occurrence of an uncured notified default hereunder, then Seller may, at its option, but without being required to do so, prosecute or defend any suits in relation to the preservation of the prior lien and security interest of this Deed of Trust on the Unit, or take such other action as Seller reasonably determines to be necessary.

3.2 Foreclosure.

a. Default. The occurrence of any of the following events constitutes an event of default hereunder (an "**event of default**"): (1) any of the Secured Obligations are not paid or performed when due; or (2) any covenant, agreement or condition herein or in the Note, or the Commercial Sales Contract is not fully and timely performed, observed, satisfied, or kept.

b. Foreclosure. If a monetary event of default shall continue for 10 days after written notice of default is given by Seller to Buyer or a non-monetary default shall continue for 30 days after written notice of such occurrence is given by Seller to Buyer without cure; provided, however, that if such non-monetary event of default is of a nature that it cannot be cured within such 30 day period, the Buyer shall not be in default if Buyer commences good faith efforts to cure such default within said 30 day period, demonstrates continuous diligent efforts to cure such event of default in a manner reasonably satisfactory to Seller and, within a reasonable period, not to exceed 90 days after the date of notification of default was received by Buyer, completes the cure of such default, then and in any of such events of an uncured notified default, Seller may elect to declare the entire principal of the Secured Obligations with all interest accrued thereon immediately due and payable, and it shall thereupon, or at any time thereafter, be the duty of the Trustee, or his successor or substitute as hereinafter provided, at the

request of Seller (which request is hereby conclusively presumed), to enforce this trust; and after advertising the time, place and terms of the sale of the above described and conveyed Unit, then subject to the lien hereof, and mailing and filing of notices as required by Section 51.002, Texas Unit Code, as then amended, and otherwise complying with that statute, the Trustee shall sell the above described Unit, then subject to the lien hereof, at public auction in accordance with such notices on the first Tuesday in any month between the hours of ten o'clock A.M. and four o'clock P.M., to the highest bidder for cash, selling all of the Unit as an entirety or in one or more parcels, subject to the Permitted Encumbrances, and make due conveyance to the purchaser or purchasers, with special warranty binding Buyer, its successors and assigns, as to the Unit; and in each instance, subject to the Permitted Encumbrances, which shall be covenants running with the land, and out of the money arising from such sale, the Trustee acting shall pay first, all the expenses of advertising the sale and making the conveyance and attorney's fees of Seller, and then Trustee shall pay all Secured Obligations secured hereby rendering the balance of the sale price, if any, to Buyer, its successors or assigns; and the recitals in the conveyance to the purchaser or purchasers shall be full and conclusive evidence of the truth of the matters therein stated, and all prerequisites to said sale shall be presumed to have been performed, and such sale and conveyance shall be conclusive against Buyer, its successors and assigns.

3.3 Resort to Other Remedies. It is agreed that in the event a foreclosure hereunder should be commenced by the Trustee, or his substitute or successor, Seller may at any time before the sale of the Unit direct the Trustee to abandon the sale, and may then institute suit for the collection of any of the Secured Obligations, and for the foreclosure of the Deed of Trust lien and/or security interest; it is further agreed that if Seller should institute a suit for the collection thereof, and for a foreclosure of this Deed of Trust lien and/or security interest, Seller may at any time before the entry of a final judgment in said suit dismiss the same, and require the Trustee, his substitute or successor to sell the Unit or any part thereof in accordance with the provisions of this Deed of Trust. The lien of this Deed of Trust shall constitute a continuing lien to secure the payment and performance of the Secured Obligations, and the foreclosure of the lien granted hereby shall continue on the portion of the Unit sold at foreclosure sale for the benefit of the Seller as a continuing lien to secure the payment and performance of the Secured Obligations by the purchaser thereof.

3.4 Bidding By Developer. If Seller is the highest bidder, Seller shall have the right to purchase at any sale of the Unit, and to have the amount for which such Unit is sold credited on the debt then owing.

3.5 Appointment of Substitute Trustee. With or without cause, Seller is hereby authorized to appoint a substitute trustee, or a successor trustee, to act instead of the Trustee named herein without other formality than an oral designation, which designation may be evidenced by a designation in writing of a substitute or successor trustee; and the authority hereby conferred shall extend to the appointment of other successor and substitute trustees successively until the Secured Obligations have been paid and performed in full, or until the Unit is sold hereunder, and each substitute and successor trustee shall succeed to all of the rights and powers of the original trustee named herein.

3.6 Possession of Property. In the event any sale is made of the above described Unit, or any portion thereof, under the terms of this Deed of Trust, Buyer, its successors and assigns, shall forthwith upon the making of such sale surrender and deliver possession of the Unit so sold to the purchaser at such sale, and in the event of their failure to do so they shall thereupon from and after the making of such sale be and continue as tenants at will of such purchaser, and in the event of their failure to surrender possession of said property upon demand, the purchaser, its successors or assigns, shall be entitled to institute and maintain an action for forcible detainer of the Unit in the Justice of the Peace Court in the Justice Precinct in which such Unit, or any part thereof, is situated.

3.7 Subrogation. It is agreed that the lien hereby created shall take precedence over and be a prior lien to any other lien of any character whether vendor's, materialmen's or mechanic's lien hereafter created on the Unit, and in the event the proceeds of the indebtedness secured hereby as set forth herein are used to pay off and satisfy any liens heretofore existing on the Unit, then Seller is, and

shall be, subrogated to all of the rights, liens and remedies of the holder of the indebtedness so paid. Buyer expressly acknowledges a vendor's lien on the Property as security for the Note secured by this Deed of Trust, which represents funds advance by Seller at Buyer's request and used in payment of the purchase price of the Unit. This Deed of Trust does not waive the vendor's lien, and the two liens and the rights created by this deed of Trust are cumulative. Seller may elect to enforce either of the liens without waiving the other or may enforce both.

Article 4

Miscellaneous

4.1 Extensions and Releases. It is agreed that an extension, or extensions, may be made of the time of payment of all, or any part, of the Secured Obligations, and that any part of the Unit may be released from this lien without altering or affecting the priority of the lien created by this Deed of Trust in favor of any junior encumbrancer, mortgagee or purchaser, or any person acquiring an interest in the Unit, or any part thereof; it being the intention of the parties hereto to preserve this lien on the Unit including any improvements that may be hereafter constructed thereon, or that may be fixed, given or imposed by law thereon after the execution of this instrument notwithstanding any such extension of the time of payment, or the release of a portion of the Unit from this lien.

4.2 Modification or Termination. This Deed of Trust may only be modified or terminated by a written instrument or instruments intended for that purpose and executed by the party against which enforcement of the modification or termination is asserted. Any alleged modification or termination which is not so documented shall not be effective as to any party hereto.

4.3 Applicable Law. This Deed of Trust, and its validity, enforcement and interpretation, shall be governed by Texas law (without regard to any conflict of laws principles) and applicable United States Federal law.

4.4 Construction Mortgage. This Deed of Trust constitutes a "**construction mortgage**" as defined in Chapter 9 of the Texas Business and Commerce Code, as amended from time to time.

Dated effective as of the Effective Date. This instrument may be executed in multiple counterparts.

BUYER:

_____ (Name)

By: _____

(Name)
(Office)

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ___ day of _____, 2013, by _____, _____ of _____, a _____, on behalf of said _____.

NOTARY PUBLIC, State of Texas

<p><u>AFTER RECORDING RETURN TO TRUSTEE'S ADDRESS:</u></p> <p>_____</p> <p>_____</p> <p>_____</p> <p>() _____</p>	<p><u>BUYER'S ADDRESS:</u></p> <p>_____</p> <p>_____</p> <p>_____</p>	<p><u>DEVELOPER'S ADDRESS:</u></p> <p>Condominium Developers, Ltd.</p> <p>_____</p> <p>_____</p>
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E. Condominium Association Formation Package.

E1. Reservation of Corporation Name.

[Intentionally left blank]

E.2. Directors' Meeting

E2.1 Directors' Organizational Meeting.

E2.1.1. Waiver

_____ **OFFICE PARK CONDOMINIUM
OWNERS' ASSOCIATION, INC.**

**Waiver of Notice
of
Organization Meeting
of
Board of Directors**

The undersigned, being all of the directors of _____ Office Park Condominium Owners' Association, Inc., a Texas non-profit corporation, do hereby severally waive notice of the time and place of the organization meeting of the Board of Directors named in the Certificate of Formation of said corporation and do hereby fix _____, ____m. on the _____ day of February 20, 2013, as the time for such meeting at _____, as the place of such meeting.

The undersigned do hereby waive all requirements of the laws of the State of Texas, of the Declaration of Condominium of _____, and of the Bylaws of the corporation as to notice of such meeting, and do hereby consent to the transaction at such meeting, or any adjournment thereof, of any and all business coming before such meeting.

NAME OF DIRECTOR

DATE

Bill Locke

February 20, 2013

David Weiner

February 20, 2013

Marilyn Maloney

February 20, 2013

E2.1.2. Agenda.

OFFICE PARK CONDOMINIUM OWNERS' ASSOCIATION, INC.**Agenda for Organization Meeting of Board of Directors**

1. Call to Order
2. Recording Attendance
3. Selection of Chairman and Secretary
4. Presentation of Waiver of Notice
5. Review of Certificate of Formation
6. Consideration of Bylaws
7. Election of Officers
8. Acquisition of Books and Payment of Expenses
9. Adoption of Bank Account Resolutions
10. Consideration of Taxable Year
11. Hiring of Accountants
12. Consideration of Management Agreement
13. Consideration of Service Contracts
14. Adoption of Budget
15. Adoption of Initial Rules and Regulations
16. Adjournment

E2.1.3 Minutes.

_____ **OFFICE PARK CONDOMINIUM
OWNERS' ASSOCIATION, INC.**

**Minutes of Organizational Meeting
of
The Board of Directors**

1. **Call to Order.** The organizational meeting of the Board of Directors named in the Certificate of Formation of _____ Office Park Condominium Owners' Association, Inc. was held at _____ beginning at _____.m., on February 20, 2013.

2. **Recording Attendance.** The following directors, being all of the directors of the corporation, were present in person:

3. **Selection of Chairman and Secretary.** By unanimous vote of the directors, _____ was chosen Chairman of the meet _____ was chosen Secretary of the meeting.

4. **Presentation of Waiver of Notice.** The Secretary of the meeting presented a written waiver of notice signed by all the directors of the corporation. The Chairman of the meeting directed that the original of such waiver be placed in the minute book of the corporation.

5. **Review of Certificate of Formation.** The Chairman submitted to the meeting the Certificate of Formation, to which a duplicate original of the Certificate of Formation was affixed. He announced that a duplicate original of the Certificate of Formation had been approved by and filed in the Office of the Secretary of State of Texas on the 20th day of January, 2013. The Chairman directed that the Certificate of Formation, with the Certificate of Formation attached, be placed in the minute book of the corporation.

6. **Consideration of Bylaws.** The Chairman presented to the meeting a form of initial Bylaws for the regulation of the affairs of the corporation. The form of Bylaws was read and after discussion, upon motion duly made and seconded, and unanimously adopted, it was

RESOLVED, that the proposed initial Bylaws presented to the meeting be, and they hereby are, adopted as the initial Bylaws of the corporation and that one copy of said Bylaws be placed in the minute book of the corporation following the Certificate of Formation.

7. **Election of Officers.** The Chairman then noted that the Bylaws of the corporation required that the corporation elect a President, a Vice President, a Secretary and a Treasurer. The Chairman then proceeded to the election of the officers, such officers to serve until the annual meeting of the members or until their successors are elected and qualified. Nominations having been made, the following persons were successively duly elected to the following offices:

<u>NAME</u>	<u>OFFICE</u>
_____	President
_____	Vice-President
_____	Secretary
_____	Treasurer

8. Acquisition of Books and Payment of Expenses. After discussion, upon motion duly made and seconded, and unanimously adopted, it was

RESOLVED, that the Secretary of the corporation be, and hereby is, authorized to procure all corporate books required by law or necessary or appropriate in connection with the business of the corporation, and that the President of the corporation be, and hereby is, authorized to pay all charges and expenses incident to the organization of the corporation.

9. Adoption of Bank Account Resolutions. The Chairman then recommended that the directors designate a depository for the funds of the corporation. After discussion, upon motion duly made and seconded, the following resolutions were unanimously adopted:

RESOLVED, that _____, be and it hereby is, approved as a depository for the funds of the corporation; and

FURTHER RESOLVED, that the resolutions and authorizations set forth in the completed form of depository authorization attached hereto as **Exhibit A** be, and they hereby are, adopted as depository resolutions for the corporation and incorporated herein by reference for all purposes as part of the minutes of this meeting.

10. Consideration of Taxable Year. The Chairman then stated that it would be advisable for the directors to consider the accounting period which would be used for accounting and tax purposes. After discussion, upon motion duly made and seconded, and unanimously adopted, it was

RESOLVED, that the corporation adopt as its accounting period the year and that the corporate books of account shall be maintained, the corporate income tax shall be computed, and the corporate tax return shall be filed upon the basis of such calendar year.

11. Hiring of Accountants. It was then proposed, seconded and unanimously adopted that the Directors hire _____, Certified Public Accountants, if they are willing to serve, to act as the auditors of the Common Expenses of the corporation and to establish an accounting system and set of books reflecting a detailed accounting of the receipts and expenditures affecting the Project Property and its administration.

12. Hiring of Managing Agent. It was proposed that _____ be retained as the Managing Agent of the corporation to assist in the administration of the affairs of the corporation. A

spokesman for _____ presented a proposed Management Agreement delineating responsibilities of the Managing Agent, compensation and the term of the Management Agreement for a term beginning on January 20, 2013, and ending on December 31, 2013. After discussion, upon motion duly made, seconded and unanimously adopted, it was

RESOLVED, that _____ be employed as the Managing Agent of the Common Elements with responsibilities and for the compensation and term set forth in the Management Agreement, a copy of which was presented at the meeting. It was further RESOLVED that the President is directed to execute the Management Agreement on behalf of the corporation and that the Secretary attach a copy of the Management Agreement as Exhibit B to the minutes of this meeting.

13. Approval of Services. A proposed form of _____ servicing contract with _____ was presented to the Directors. After discussion, upon motion duly made, seconded and unanimously adopted, it was

RESOLVED, that the President execute on behalf of the corporation the _____ Contract presented by _____ at the meeting and that the Secretary attach a copy of the same as Exhibit C to the minutes of this meeting.

14. Adoption of Budget. The President then presented to the Board of Directors a Budget of the estimated Common Expenses and cash requirements for the maintenance, operation and management of the Common Elements of the members for the period beginning January 20, 2013, and ending on December 31, 2013. The Budget included the following expenses: accounting, legal, Managing Agent's compensation, maintenance labor, support personnel salaries, maintenance supplies, office supplies, workmen's compensation insurance, taxes (FICA), telephone service, _____ service contract expense, and electricity, garbage, water and sewer utilities. After discussion, upon motion duly made and seconded, and unanimously adopted, it was

RESOLVED, that the proposed estimated Budget of Common Expenses of the members for the period beginning January 20, 2013, to December 31, 2013, be adopted as the Budget of the corporation and that the Secretary be directed to place a copy of the Budget in the minute book of the corporation as Exhibit D to the minutes of this meeting and that the Managing Agent forward a copy of the Budget to each Unit Owner together with a statement of such Unit Owner's proportionate share of the Common Expenses of the corporation for such period broken down into monthly assessments. Each such monthly assessment shall be due and payable by such Unit Owner on or before the first day of each month covered by the Budget.

15. Adoption of Initial Rules and Regulations. The President then presented to the Board of Directors an initial set of Rules and Regulations relating to the use of the Common Elements and the conduct of the Unit Owners at the Project Property. After discussion, upon motion duly made and seconded, and unanimously adopted, it was

RESOLVED, that the proposed Rules and Regulations be adopted and that a copy thereof be placed in the minute book of the corporation and be given to each of the Unit Owners.

There being no further business, the meeting was thereupon adjourned at _____ .m.

Secretary of the Meeting

APPROVED:

Chairman of the Meeting

EXHIBIT A

Depository Resolutions

[There shall be inserted here the depository and borrowing resolutions required by the depository of _____ Office Condominium Owners' Association, Inc.]

EXHIBIT B

Management Agreement

EXHIBIT C

Service Contract

EXHIBIT D

BUDGET FOR

_____ OFFICE PARK CONDOMINIUM
OWNERS' ASSOCIATION, INC.

_____, 2013 TO December 31, 2013

E2.2. First Annual Meeting of Elected Directors.

E2.2.1 Waiver.

_____ **OFFICE PARK CONDOMINIUM OWNERS ASSOCIATION, INC.**

**Waiver of Notice
of
Annual Meeting
of
Board of Directors**

The undersigned, being all of the directors of _____ Office Park Condominium Owners' Association, Inc., a Texas non-profit corporation, do hereby severally waive notice of the time and place of the annual meeting of the Board of Directors named in the Certificate of Formation of said corporation and do hereby fix _____, ___m. on the 20th day of February, 2014, as the time for such meeting at _____, as the place of such meeting.

The undersigned do hereby waive all requirements of the laws of the State of Texas, of the Declaration of Covenants, Conditions, and Restrictions for _____ Office Park Condominium Owners' Association, Inc., and of the Bylaws of the corporation as to notice of such meeting, and do hereby consent to the transaction at such meeting, or any adjournment thereof, of any and all business coming before such meeting.

NAME OF DIRECTOR

DATE

_____	_____, 2014

_____	_____, 2014

_____	_____, 2014

E2.2.2. Minutes.

_____ **OFFICE PARK CONDOMINIUM OWNERS' ASSOCIATION, INC.**

**Minutes of First Annual Meeting
of
the Board of Directors**

1. **Call to Order and Opening Remarks.** The First Annual Meeting of the Board of Directors, who were elected at the First Annual Meeting of the members, was held at the _____, beginning at _____ .m. on February 20, 2014.

2. **Recording Attendance.** The following directors, being all of the directors of the corporation, were present in person:

3. **Selection of Chairman and Secretary.** By unanimous vote of the directors, _____ was chosen Chairman of the Meeting and _____ was chosen Secretary of the Meeting.

4. **Minutes of Prior Meetings Approved.** The Secretary presented the minutes of the Organization Meeting of the Board of Directors which was held on _____, 2013.

5. **Election of Officers.** The Chairman then noted that the Bylaws of the corporation require that the Board of Directors elect a President, a Vice-President, a Secretary and a Treasurer. The Chairman proceeded to the election of the officers. The officers are to serve until the next annual meeting of the members or until their successors are elected and qualified. Nominations having been made, the following persons were successively duly elected to the following offices:

<u>NAME</u>	<u>OFFICE</u>
_____	President
_____	Vice President
_____	Secretary
_____	Treasurer

6. **Approval of Budget and Assessments.** The President then presented to the Board of Directors a Budget of the estimated Common Expenses and cash requirements for the maintenance, operation and management of the Common Elements of the members for the period beginning _____, 2014 and ending December 31, 2014. The Budget included the following expenses: accounting, legal services, Managing Agent's compensation, maintenance labor, support personnel salaries, maintenance supplies, office supplies, workmen's compensation insurance, taxes (FICA), telephone service, Master Association assessments, service contract expense, and electricity, garbage, water and sewer utilities. After discussion, upon motion duly made and seconded, and unanimously adopted, it was

RESOLVED, that the proposed estimated budget of Common Expenses of the members for the period beginning _____, 200_ to _____, 200_ be adopted as the Budget of the corporation and that the Secretary be directed to place a copy of the Budget in the minute book of the corporation as Exhibit A to the minutes of this meeting and that the Managing Agent forward a copy of the Budget to each Unit Owner together with a statement of such Unit Owner's proportionate share of the Common Expenses of the corporation for such period broken down into monthly assessments. Each such monthly assessment shall be due and payable by such Unit Owner on or before the first day of each month covered by the Budget.

There being no further business, the meeting was thereupon adjourned at _____ .m.

_____, Secretary

APPROVED:

_____, President

E2.2.3. Agenda.

_____ **OFFICE PARK CONDOMINIUM OWNERS' ASSOCIATION, INC.**

Agenda for First Annual Meeting of Board of Directors

1. Call to Order and Opening Remarks
2. Recording Attendance
3. Selection of Chairman and Secretary
4. Minutes of Prior Meetings Approved
5. Election of Officers
6. Approval of Budget and Assessments
7. Other Business
8. Adjournment

E3. Members' First Annual Meeting.

E3.1. Agenda.

_____ **OFFICE PARK CONDOMINIUM OWNERS' ASSOCIATION, INC.**

Agenda for First Annual Meeting of Members

1. Call to Order and Opening Remarks
2. Recording Attendance
3. Presentation of Affidavit of Notice
4. Review of Certificate of Formation
5. Review of Bylaws
6. Ratification of Actions of Initial Directors and Minutes of Prior Meetings
7. Election of Directors
8. Review of Condominium Operation and Budget
9. Other Business
10. Adjournment

E3.2. Affidavit of Notice.

_____ OFFICE PARK CONDOMINIUM OWNERS' ASSOCIATION, INC.

Affidavit of Notice

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

_____, being duly sworn, deposes and says that she is President of _____ Office Park Condominium Owners' Association, Inc. (the "**Association**"), a Texas non-profit corporation; that on _____, 2014, he caused a notice of the annual members' meeting of the Association to be deposited in the United States Post Office in the City of _____, County of _____, State of Texas, in a sealed envelope, postage prepaid, addressed to each member of record of the Association at his last known post office address as the same appeared on the books of the Association as of the Close of business on _____, 2014.

SUBSCRIBED AND SWORN TO BEFORE ME this _____ day of _____, 2014.

Notary Public, State of Texas

E3.3. List of Mortgagees.

**LIST OF MORTGAGEES ENTITLED TO NOTICE OF MEETINGS
OF THE CONDOMINIUM OWNERS' ASSOCIATION**

(See Section 7.7 of Declaration)

<u>UNIT NO.</u>	<u>MORTGAGEE</u>	<u>ADDRESS</u>
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		

E.3.4 Minutes.

_____ **OFFICE PARK CONDOMINIUM OWNERS' ASSOCIATION, INC.**

**Minutes of First Annual Meeting
of
the Members**

1. **Call to Order and Opening Remarks.** The First Annual Meeting of the members of _____ Office Park Condominium Owners' Association, Inc. was held at _____ .m. on _____, 2014.

2. **Recording Attendance.** The President, _____, directed the Secretary to record the attendance of the members. The Secretary then made a list of all members present in person or by proxy. The Secretary determined that a quorum of members were present. The President directed the Secretary to incorporate the list of members present in person or by proxy as Exhibit A to the minutes of the meeting.

3. **Presentation of Affidavit of Notice.** The President presented her Affidavit of Notice that she had caused notice of the meeting to be timely sent to each member at his last known post office address as the same appeared on the books of the corporation as of the close of business on _____, 2014. The President directed that the original of such Affidavit be placed in the minute book of the corporation.

4. **Review of Certificate of Formation.** The President submitted to the meeting the Certificate of Formation of the corporation, to which a duplicate original of the Certificate of Formation was affixed. She announced that a duplicate original of the Certificate of Formation had been approved by and filed in the Office of the Secretary of State of Texas on the ___th day of _____, 2013.

5. **Presentation of Minute Book and Ratification of Actions of Initial Directors and Minutes of Prior Meetings.** The President then presented the minute book of the corporation to the members and noted that it contained the Certificate of Formation, with the Certificate of Formation attached, and the minutes of the Organization Meeting of the Board of Directors, which was held on _____, 2013 and the Minutes of Meetings of the Board of Directors held on _____, 2013.

6. **Review of Bylaws.** The President presented to the meeting the initial Bylaws and Rules and Regulations for the regulation of the affairs of the corporation that were adopted by the Board of Directors at its organization meeting.

7. **Election of Directors.** The President then noted that the Bylaws required the corporation to elect three directors to succeed the initial directors whose terms expire as of the First Annual Meeting of the Members. Nominations having been made, the following persons were successively duly elected to the Board of Directors:

8. **Discussions and Other Business.** The President then reviewed the operation and maintenance of the Common Elements. The President opened the floor for discussion concerning the development of the Condominium Project and the maintenance and operation of the Common Elements. The following matters were discussed: _____.

9. **Adjournment.** There being no further business, the meeting was thereupon adjourned at _____ .m.

_____, Secretary

APPROVED:

_____, President

E4. Management Agreement.

MANAGEMENT AGREEMENT

BETWEEN

_____ **OFFICE PARK CONDOMINIUM OWNER'S ASSOCIATION, INC.**

AND

Dated: _____, 2013

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MANAGEMENT AGREEMENT

This Management Agreement (the "**Agreement**") is effective as of _____, 2014, by and between _____ Office Park Condominium Owners' Association, Inc., a Texas non-profit corporation (hereinafter referred to as the "**Association**"), and _____, a Texas corporation (hereinafter referred to as "**Property Manager**"), with respect to the following:

A. RECITALS

1. **Declaration.** The Association was created under the Declaration of Covenants, Conditions and Restrictions for _____ Office Park, A Condominium (the "**Declaration**") to have and exercise the rights and duties and to perform on behalf of, and as agent for, the owners of suites within _____ Office Park, A Condominium (the "**Property**") the functions set forth in the Declaration which include, without limitation, the maintenance of certain portions of _____ Office Park, A Condominium and the assessing, collecting and disbursing of assessments as provided in the Declaration.
2. **Operations.** The Declaration provides the Association acting by and through as Board of Directors may employ independent consultants or independent contractors to manage the day-to-day operations of the Association and the Property.
3. **Management Delegation.** The Association desires to engage Property Manager to manage and operate the Property, and Property Manager desires to accept such engagement upon the terms set forth herein.

B. AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises and covenants contained herein, the Association and Property Manager agree as follows:

1. **Appointment and Authority of Property Manager.** On the terms and conditions hereinafter set forth including the attached Schedules and Exhibit, the Association hereby appoints Property Manager, on an exclusive basis, to manage and operate the Property in accordance herewith, and Property Manager hereby accepts such appointment.
2. **General Management Responsibilities.** Subject to the Operating and Capital Budgets, Property Manager shall be responsible for the operation of the Property and for providing complete property management services (hereinafter called the "**Work**") at the Property. Such Work shall include, without limitation, the obligation to determine, allocate and collect Common Assessments (as defined in the Declaration), manage, advise, supervise, direct and coordinate the maintenance, repair, and operation of the Property and equipment therein and adjacent walkways, sidewalks and common areas designated by the Association and to purchase all supplies, materials, and parts and to hire and discharge Property Manager's employees, suppliers, materialmen and subcontractors.
3. **Budgeting and Accounting.**
 - 3.1 **Budgets.** Property Manager shall prepare and submit to the Association for the Association's approval as soon as possible after the Commencement Date hereof, a pro forma operating budget and forecast of income and expenses for the Property ("**Operating Budget**") and a budget of Property capital expenditures ("**Capital Budget**") for the operation, repair and maintenance of the Property for the first calendar year. Thereafter, such proposed annual budgets shall be delivered to the Association for approval on or before November 1 of each subsequent year. The budgets will include, without limitation, anticipated capital improvements and major operating expenses for the calendar year. Such budgets as so approved by the Association (herein collectively, "**Approved Budget**") shall provide sufficient funds for the promotion, operation, repair and maintenance of the Property.

Once approved by the Association, Property Manager shall implement the Approved Budget, and shall be authorized without the need of further approvals to make the expenditures and incur the obligations provided for in such Approved Budget. If the parties hereto fail to agree upon an Operating Budget for any subsequent calendar year prior to the commencement thereof, then pending final approval by the Association, Property Manager shall continue to manage and operate the Property in accordance with the Approved Budget for the previous calendar year.

3.2 Books and Records. Property Manager shall maintain proper, adequate and separate books and records for the Property, with sufficient supporting documentation to ensure that all entries in the books and records are accurate and complete and in a manner consistent with the obligations of property managers of properties comparable to the Property. The Association and its representatives shall have the right of access to audit and inspect all books and records maintained by Property Manager with respect to the Property.

3.3 Accounting. Upon request, monthly statements of operation of the Property shall be provided to the Association within 30 days after each month hereunder and shall show matters pertaining to the management, operation and maintenance of the Property during the preceding month. Within 60 days after the end of each calendar year during the Term, Property Manager shall provide the Association with an annual report, which includes the operating expenses and taxes of the Property.

3.4 Copies of Books and Records. Property Manager shall maintain, and shall supply to the Association and any member of the Association upon request the following:

- a. Detailed disbursement records
- b. Paid invoices;
- c. Supporting documentation for payroll, payroll taxes and employee benefits; and
- d. Vouchers, statements and records from all independent contractors engaged by Property Manager.

4. Specific Management Responsibilities. Without limiting the generality of Article 2, Property Manager shall use and furnish its skill and judgment in performing the following specific functions:

4.1 Common Assessments. Property Manager shall be responsible for determining, allocating and collecting Common Assessments, as required in the Declaration. All Common Assessments shall remain the property of the Association and shall be expended by Property Manager on behalf of the Association only for the specific purposes indicated in the Approved Budget or otherwise authorized by this Agreement or the Association. No profit, gain or other benefit is to be derived by Property Manager from the Common Assessments, but instead, such funds shall be expended by Property Manager only as agent for the Association. All services contemplated to be paid from the Common Assessments shall be obtained by Property Manager on behalf of the Association and Common Assessments shall be used for the payment of expenses incurred by the Property Manager on behalf of the Association. Upon termination of this Agreement, all Common Assessments held at that time by Property Manager shall be returned to the Association.

4.2 General Management Duties. Property Manager shall manage the Property in an efficient and businesslike manner having due regard for the physical condition of the Property and the status of completion of the construction of the Property. Property Manager, through its employees and independent contractors, shall supply complete operational services for the Property. Property Manager shall also prosecute property tax appeals on behalf of the Association, at the Association's cost. Property Manager shall commence performance of its duties hereunder on the term Commencement Date, as defined in Section 10.1.

4.3 Enforcement of Contracts; Specific Duties.

a. Property Manager shall use reasonable efforts to secure from persons working on the Property any certificates of insurance, and renewals thereof, required to be furnished by the terms of contracts.

b. Property Manager shall enforce, in a non-discriminatory manner, the Rules and Regulations from time to time established by the Association.

4.4 Repairs and Maintenance. Property Manager shall, in the name of and at the expense of the Association, keep the Common Areas of the Property in a clean condition, and make or cause to be made such ordinary maintenance, repairs and alterations as Property Manager may deem advisable or necessary, or as the Association may direct, subject to and within the limitations of the Approved Budget. Such duties shall include, without limitation, repairs and maintenance of sidewalks and common areas, landscaping and such other normal maintenance and repair work as may be necessary or desirable, maintenance, repair and operation of the Common Areas and of Landscaping in the Common Areas.

4.5 Capital Improvements. Property Manager shall, in the name of and at the expense of the Association, make or cause to be made such capital improvements to the Property as are included in the Approved Budget or are otherwise approved by the Association.

4.6 Service Contracts. Property Manager shall as directed, in the name of and at the expense of the Association, contract for those utilities and other operation and maintenance services which Property Manager or the Association shall deem advisable; provided that, unless otherwise approved in writing (i) no service contract shall be for a term exceeding one year and (ii) each service contract shall be terminable upon not more than 30 days' notice without cause, without the prior written approval of the Association. Upon request of the Association, all service contracts shall be subject to the Association's prior approval and to satisfaction of such conditions as the Association may impose.

4.7 Tax and Mortgage Payments. If requested by the Association, Property Manager shall obtain, verify and pay as an association expense all bills for payments due under all mortgages, real estate, personal property and improvement Common Assessments with respect to the Property and the Association's personal property located therein. In such event, all such expenses shall be included in the Approved Budget for the Property. Property Manager shall cooperate with any consultant retained by the Association to lower or minimize taxes, and recommend to the Association either payment or appeal of such taxes as Property Manager deems appropriate.

4.8 Insurance Duties. Property Manager shall notify the Association's general liability insurance carrier and the Association at once of any personal injury or property damage known to Property Manager or claimed by any tenant or third party on or with respect to the Property, and forward to the insurance carrier (with copies to the Association) any summons, subpoena, or other like documents served upon Property Manager which relate to actual or alleged potential liability of the Association, Property Manager, or the Property. Property Manager shall notify the Association of any fire or other casualty to the Property and, in the case of any serious fire or other material damage to the Property, telephone notice thereof to the Association's insurance agent at once so that an insurance adjuster may view the damage before repairs are started.

4.9 Inspection. Property Manager shall permit and facilitate inspection of the Work by the Association and its representatives and public authorities at all times.

5. **Methods of Operation.**

5.1 Contracting. All contracts approved by the Association for capital improvements which (a) cover expenditures included within the Approved Budget or expenditures which are otherwise approved in advance by the Association and (b) which are approved in advance by the Association or otherwise meet written criteria established by the Association for such contracts, shall be executed by Property Manager, and all costs and expenses associated therewith shall be paid by the Association. Without relieving it of its obligations hereunder, Property Manager shall be entitled, at its expense, to enter in its own name into such subcontracts with third parties to perform any of the management functions which are the subject of this Agreement as it may determine, subject to the prior approval of the Association, which approval shall not be unreasonably withheld, conditioned or delayed. All other contracts with respect to the Property shall be executed by the Association. Upon any termination of this Agreement, Property Manager shall, if requested by the Association, assign all assignable contracts executed by Property Manager to the Association.

5.2 Compliance with Laws.

a. General. Subject to the other provisions of this Agreement, Property Manager shall be responsible for compliance with (i) all applicable federal, state and municipal laws, ordinances, regulations and orders applicable to Property Manager or relative to the management, use, operation, repair and maintenance of the Property; (ii) applicable laws and regulations relating to workers' compensation, social security, unemployment insurance, hours of labor, wages, working conditions and other employer-employee related subjects; and (iii) the rules, regulations or orders of the local Board of Fire Underwriters or other similar body. Expenses incurred by Property Manager in so complying and in correcting any violation shall be included in the Approved Budget or otherwise approved in advance by the Association.

b. OSHA. Property Manager agrees that, for the purpose of compliance with the requirements of the Occupational Safety and Health Act of 1970, as amended ("**OSHA**"), Work performed on the Property shall be deemed entirely within Property Manager's responsibility.

5.3 Bonding. At the Association's request, all employees of Property Manager who handle or are responsible for the Association's funds shall be covered by a fidelity bond.

5.4 Limitation on Authority. Notwithstanding any contrary provisions of this Agreement, without first obtaining the prior written consent of the Association, Property Manager shall not:

a. Budgeted Expenditures. Make any expenditure not approved by the Association as part of the Approved Budget or as otherwise permitted by this Agreement;

b. No Liens. Enter into, create, or suffer to exist any lease, lien, encumbrance or charge upon all or any portion of the Property or any interest therein;

c. Approved Contracts. Enter into, modify, amend, change, cancel, or otherwise alter or allow the alteration of the terms of any lease or contract with respect to any portion of the Property except as approved by the Association.

5.5 Employment of Personnel. Property Manager shall have in its employ at all times after the term Commencement Date a sufficient number of capable employees, as approved by the Association, to enable it to properly, adequately and economically manage, operate and maintain the Property. All matters pertaining to the employment, supervision, compensation, promotion and discharge of such employees, as well as union negotiation and compliance with laws and regulations dealing with employee matters, are the responsibility of Property Manager, which is in all respects the employer of such employees. Property Manager shall be responsible to the Association for the acts and omissions of its agents and employees, and the employees and agents of its affiliates, each acting within the scope of

his or her relationship with Property Manager or its affiliates. Property Manager shall enter into contracts with independent contractors that require each independent contractor to be responsible to Property Manager and the Association for the acts and omissions of the independent contractor's agents and employees.

6. Financial Matters.

6.1 Payment of Bills. Property Manager shall pay promptly all expenses it incurs in the performance of this Agreement on the Association's behalf in accordance herewith and at the Association's expense.

7. Compensation of Property Manager.

7.1 Compensation. For its services hereunder, Property Manager shall be paid a Management Fee as specified in Schedule 1 attached hereto.

7.2 Reimbursable Expenses, Office and Other Services. In accordance with the Approved Budget, Property Manager shall be entitled to reimbursement from the Association for all direct out-of-pocket expenses including, but not limited to, normal office expenses, normal general and administrative expenses and normal business expenses. Property Manager shall equitably allocate such costs to all Properties managed out of the same office and the Association shall not be charged for any such costs properly allocated to any properties other than the Property.

7.3 Payment of Compensation and Expenses. Payment or reimbursement of the amounts described in Sections 7.1 through 7.2 above shall be as follows:

a. The Management Fee payable to Property Manager as set forth in Schedule 1 shall be paid monthly in advance during the term of this Agreement. The first payment of said Management Fee shall begin on the Commencement Date.

b. Employee expenses and out-of-pocket expenses incurred shall be reimbursed to Property Manager when due but not more frequently than once per month.

8. Indemnification; Insurance.

8.1 Property Manager's Indemnity. Property Manager shall indemnify and save the Association and its members, managers, affiliates, officers, directors, shareholders, partners, subsidiaries, affiliates, agents, employees, and representatives, and their respective successors, heirs, legal representatives, and assigns (collectively, the "**Association Indemnitees**") harmless from and defend it against any and all liabilities and claims, and reimburse it for all expenses it incurs (including the cost of litigation and reasonable attorneys' fees) on account of personal injury or death to persons and damage to property which occurs on the Property, to the extent caused by the willful misconduct or negligent act or omission of Property Manager or any persons employed by it hereunder, or by anyone employed by such persons or otherwise relating to the performance of Property Manager's duties hereunder to the extent such liabilities and claims are insured by Property Manager's insurance carried pursuant to Section 8.2 or arise out of the breach of Property Manager's duties or obligations under this Agreement or acts outside the scope of Property Manager's authority hereunder. This Section 8.1 shall survive the expiration or earlier termination of this Agreement.

8.2 Property Manager's Insurance. During the term of this Agreement, Property Manager (as a reimbursable expense under this Agreement) and independent contractors employed by Property Manager (at such contractor's expense) shall maintain in full force and effect the following kinds of insurance covering its respective operations in connection with the Property:

a. **CGL**. Commercial General Liability Insurance, including coverage for bodily injury, property damage, personal injury (employee and contractual liability exclusions deleted), products and completed operations, contractual liability (including coverage of the contractual liability described in Sections 9.1 and 9.3, as applicable), the Association's protective liability and broad-form property damage, with the following limits of liability: At least \$1,000,000 each occurrence.

b. **Worker's Comp**. Workers' Compensation Insurance, in compliance with the requirements of Texas law, and Employer's Liability Insurance, with limits of not less than \$1,000,000, covering all employees who are engaged in any work under this Agreement; and

c. **Business Auto**. Comprehensive Automobile Liability when the services to be performed require use of a motor vehicle.

d. **Other**. Such other insurance as the Association may reasonably require, provided that the Association pays directly or reimburses Property Manager for the premiums for such other types or amounts of insurance and provided that such other insurance is readily available to Property Manager. Such insurance coverage shall be subject to the Association's approval for adequacy of protection and the Association may elect to insure Property Manager under policies carried by the Association. If the Association does not elect to insure Property Manager under the Association's policies, Property Manager's policies shall name the Association, its members and its lenders, as designated by the Association, as additional insureds.

e. **Form**. The limits of liability of the insurance coverage specified in Sections 8.2, above, may be provided by any combination of primary insurance policies and excess liability ("umbrella") insurance policies. Property Manager agrees to procure the addition of the Association, its members, and its lenders designated by the Association as additional named insureds (with an appropriate cross-liability or severability of interest endorsement) to those insurance policies maintained by Property Manager which cover losses, costs, expenses, damages and attorneys' fees resulting from or arising out of the negligence of Property Manager, its staff members, employees, agents and representatives, including Property Managers' Commercial General Liability and Comprehensive Automobile Liability Insurance policy. Property Manager shall promptly deliver to the Association certificates of insurance or other evidence that Property Manager is maintaining the minimum levels of insurance set forth above, as reasonably requested by the Association. The insurance policies required under this Agreement shall provide that none of the required coverage may be canceled or terminated without thirty days prior written notice to the Association.

f. **Waiver of Subrogation**. The Association and Property Manager will each require the carriers of property and liability insurance covering the Property to waive any of their respective rights of subrogation against each other and the Association Indemnitees or Property Manager Indemnitees, as the case may be, to the extent of the face amounts of the property insurance policies.

g. **WAIVER OF CLAIMS**. THE ASSOCIATION AND PROPERTY MANAGER EACH WAIVE ANY RIGHTS OF SUBROGATION OR RECOVERY AGAINST THE OTHER FOR DAMAGE OR LOSS TO ITS RESPECTIVE PROPERTY DUE TO PERILS COVERED BY THE POLICIES OF INSURANCE OBTAINED COVERING THE PROPERTY OR WHICH ARE REQUIRED HEREUNDER TO BE OBTAINED, TO THE EXTENT OF THE FACE AMOUNTS OF THE INSURANCE POLICIES WHICH WERE OR ARE REQUIRED HEREUNDER TO BE OBTAINED. THIS WAIVER SHALL APPLY WHETHER OR NOT THE DAMAGE OR LOSS MAY BE ATTRIBUTABLE TO THE FAULT OR NEGLIGENCE OF EITHER PARTY OR ITS RESPECTIVE AGENTS, EMPLOYEES, VISITORS OR CONTRACTORS. ANY DEDUCTIBLE SHALL BE DEEMED TO BE INSURANCE COVERAGE FOR PURPOSES OF THIS SECTION 8.2. PROPERTY MANAGER, ON BEHALF OF THE ASSOCIATION, SHALL REQUIRE SIMILAR WAIVERS FROM THE ARCHITECT AND ALL CONSULTANTS, CONTRACTORS, AND SUBCONTRACTORS IT EMPLOYS ON THE PROPERTY AND EACH OF THEIR RESPECTIVE INSURERS.

8.3 Third Party Indemnity. Property Manager shall require that all persons it employs hereunder (other than common law employees) indemnify and save the Association Indemnitees and Property Manager and its members, managers, affiliates, officers, directors, shareholders, partners,

subsidiaries, affiliates, agents, employees, and representatives, and their respective successors, heirs, legal representatives, and assigns (collectively "**Property Manager Indemnitees**") harmless from, and defend them against, all liabilities, losses and claims, and reimburse them for all expenses they incur (including the costs of litigation and reasonable attorneys' fees) on account of personal injury or death to persons and damage to property which occurs on the Property, to the extent caused by the willful misconduct or negligent act or omission of such independent contractor, or employees or agents of such independent contractor, arising from or related to the performance of work or services it performs on or about the Property, or from breach of its contract with Property Manager or acts outside the scope of its authority under its agreement with Property Manager. Each independent contractor that Property Manager employs hereunder shall pay for and defend any and all suits or actions threatened or instituted against the Association Indemnitees or Property Manager Indemnitees, shall pay all reasonable attorneys' fees, litigation costs and all other expenses in connection therewith, and shall promptly discharge any judgments arising there from. These conditions shall also apply to any work or operations subcontracted by such contractors. Such provisions shall expressly survive the expiration of any contracts in which they are contained.

8.4 THE ASSOCIATION'S INDEMNITY.

a. INDEMNITY. SUBJECT TO SECTIONS 8.1 AND 8.3, THE ASSOCIATION SHALL INDEMNIFY AND SAVE THE PROPERTY MANAGER INDEMNITEES HARMLESS FROM AND DEFEND IT AGAINST ALL CLAIMS AND LIABILITIES, AND REIMBURSE IT FOR ALL EXPENSES IT INCURS (INCLUDING THE COST OF LITIGATION AND REASONABLE ATTORNEYS' FEES) ON ACCOUNT OF PERSONAL INJURY OR DEATH TO PERSONS AND DAMAGE TO TANGIBLE PROPERTY WHICH OCCURS ON THE PROPERTY, TO THE EXTENT CAUSED IN WHOLE OR IN PART BY THE WILLFUL MISCONDUCT OR NEGLIGENT ACT OR OMISSION OF THE ASSOCIATION, ITS AGENTS (EXCEPT PROPERTY MANAGER OR ANY AFFILIATES OF THE FOREGOING), THEIR LICENSEES OR PERSONS THEY EMPLOY; BUT NOT TO THE EXTENT CAUSED IN WHOLE OR PART BY THE NEGLIGENCE OF THE ASSOCIATION PROVIDED THAT WITH RESPECT TO CLAIMS CONTEMPLATED BY THIS SECTION 8.4 WHICH ARE MADE BY INDEPENDENT CONTRACTORS EMPLOYED BY PROPERTY MANAGER, (I) PROPERTY MANAGER HAS COMPLIED WITH SECTION 8.3 ABOVE OR (II) THE ASSOCIATION HAS WAIVED, IN WRITING, ITS REQUIREMENT THAT PROPERTY MANAGER COMPLY WITH SECTION 8.3 ABOVE. THIS SECTION 8.4 SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

b. DEFENSE. THE ASSOCIATION SHALL HAVE THE RIGHT TO DEFEND, AT ITS EXPENSE AND BY COUNSEL OF ITS OWN CHOOSING, AGAINST ANY CLAIM OR LIABILITY TO WHICH THE INDEMNITY AGREEMENT SET FORTH IN SECTION 8.4 WOULD APPLY, AND THE RIGHT OF ANY PROPERTY MANAGER INDEMNITEE TO DEFEND OR SETTLE ANY SUCH CLAIM SHALL BE LIMITED TO THOSE CASES WHERE THE ASSOCIATION HAS FAILED OR REFUSED TO DEFEND. THE ASSOCIATION OR ITS COUNSEL SHALL PERIODICALLY ADVISE PROPERTY MANAGER'S COUNSEL OF THE STATUS OF ALL PROCEEDINGS.

8.5 Indemnity for Breach.

a. INDEMNITY BY ASSOCIATION. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, IN NO EVENT SHALL THE ASSOCIATION BE DEEMED TO BE IN DEFAULT HEREUNDER IF SUCH DEFAULT IS CAUSED SOLELY BY PROPERTY MANAGER. THE ASSOCIATION WILL INDEMNIFY, DEFEND AND HOLD HARMLESS PROPERTY MANAGER INDEMNITEES FROM ANY CLAIM, LIABILITY, OR EXPENSE (INCLUDING REASONABLE ATTORNEYS' FEES AND THE COST OF LITIGATION) RESULTING FROM (I) BREACH OF THIS AGREEMENT BY THE ASSOCIATION, OR (II) ANY ACTION OR CLAIM AGAINST PROPERTY MANAGER ARISING OUT OF THE PERFORMANCE OF PROPERTY MANAGER'S OBLIGATIONS HEREUNDER, PROVIDED THAT (X) SUCH PERFORMANCE WAS WITHIN THE SCOPE OF PROPERTY MANAGER'S AUTHORITY UNDER THIS AGREEMENT OR BASED UPON THE DIRECTION OF THE ASSOCIATION, OR (Y) SUCH ACTION OR CLAIM SHALL HAVE BEEN CAUSED BY THE MISCONDUCT OR WRONGFUL OR NEGLIGENT ACT OR OMISSION OF PROPERTY MANAGER, ITS AGENTS OR EMPLOYEES.

b. INDEMNITY BY PROPERTY MANAGER. PROPERTY MANAGER WILL INDEMNIFY, DEFEND AND HOLD HARMLESS THE ASSOCIATION INDEMNITEES FROM ANY CLAIM, LIABILITY OR EXPENSE (INCLUDING REASONABLE ATTORNEYS' FEES AND THE COST OF LITIGATION) RESULTING FROM (I) ACTS OF PROPERTY MANAGER OUTSIDE THE SCOPE OF PROPERTY MANAGER'S AUTHORITY HEREUNDER, OR (II) BREACH

OF THIS AGREEMENT BY PROPERTY MANAGER. THIS SECTION 8.5 SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

9. Term of Agreement.

9.1 Term; Start-Up Period. The initial term of this Agreement shall commence on _____ 1, 2014 ("**Commencement Date**"), and shall continue for a period of three 3 years thereafter unless terminated earlier pursuant to Section 9.2. This Agreement shall automatically be renewed upon provisions identical to those contained herein (unless modified by mutual agreement of the parties) for successive periods of one (1) year each unless Property Manager, in its discretion, elects not to renew this Agreement by written notice to the Association at least 30 days prior to the expiration of the initial term and of each renewal term of this Agreement.

9.2 Early Termination. Notwithstanding the provisions of Section 9.1, this Agreement may be terminated prior to the expiration of the initial term or any renewal thereof upon the occurrence of any of the following events:

a. Property Manager may terminate this Agreement by providing the Association with 30 days prior written notice at any time after a default by the Association hereunder and the failure of the Association to cure the same within 30 days after written notice by Property Manager of such default, (unless such default is a non-monetary default, and is of such a nature as to reasonably require more than 30 days to cure) then such longer period of time as may be needed in the exercise by the Association of due diligence to effect a cure of such default); or

b. Upon 30 days prior written notice to Property Manager, the Association may terminate this Agreement at any time for "cause," as such term is hereafter defined; provided, however, Property Manager shall not be in default hereunder and "cause" for termination shall not exist unless the Association has given Property Manager written notice of the event or circumstance alleged to constitute "cause" for termination hereof and Property Manager fails to correct or remedy such circumstance or event within the applicable cure period specified for such breach. The existence of "cause" for termination shall be subject to arbitration under Article 12. During the arbitration of the existence of "cause" for termination or the adequacy of any cure by Property Manager, Property Manager shall continue to perform its duties and be paid the Management Fee and other compensation hereunder. The term "**cause**" as used herein in connection with the termination of this Agreement shall mean:

i. The failure of Property Manager to comply with any of its material obligations under this Agreement, which failure is a material breach of this Agreement, where such failure is not cured by Property Manager within 10 days after written notice thereof from the Association for a monetary default or within 30 days after written notice thereof from the Association (or such longer period of time as may be needed in the exercise by Property Manager of due diligence to effect a cure of such failure) for a non-monetary default; or,

ii. Fraud or intentional material misrepresentation by Property Manager;

iii. The sale of all of the Property, or the foreclosure by the Association's lender (or any of its successors or assigns) on the Property pursuant to its deed of trust encumbering the Property.

9.3 Obligations Upon Termination. Upon the termination of this Agreement by any means:

a. **Protection of Property Manager.** The Association shall remain bound by and indemnify Property Manager against obligations and expenses on all contracts, commitments and purchase orders placed or made by Property Manager on behalf of the Association within Property Manager's authority hereunder, up to the effective date of termination, if such contracts (i) are terminable

by the Association upon up to 30 days' notice, or (ii) have been specifically approved by the Association if such contracts do not contain such termination right. The Association shall remain obligated to Property Manager for all Management Fees and other compensation hereunder earned by Property Manager through the date of termination and for all reimbursements due to Property Manager pursuant to this Agreement.

b. **End of Property Manager's Authority.** Upon the Association's payment to Property Manager of all Management Fees earned by Property Manager through the date of termination, plus all reimbursements due to Property Manager pursuant to this Agreement, less any offset due the Association under Section 9.3a, except as set forth in Section 9.3, Property Manager shall have no further rights, duties, liabilities or obligations whatsoever under this Agreement and the Association shall have only those rights which may arise hereunder or at law or in equity due to a breach of this Agreement by Property Manager.

c. **Post-Termination Obligations of Property Manager.** Property Manager shall remain obligated:

i. **Accounting.** To render to the Association a final accounting of any income (if applicable) and expenses of the Property as provided in this Agreement.

ii. **Fund Transfer.** To deliver to the Association all Common Assessments, income and all security deposits from the Property for which Property Manager is responsible hereunder.

iii. **Records Transfer.** To deliver to the Association all keys, records, contracts, leases, receipts, unpaid bills and other documents relative to the Property and in Property Manager's possession at the date of termination and to assign to the Association all of its rights and obligations in purchase orders, contracts, warranties, and other commitments which the Association requests that it assign.

iv. **Indemnity.** To continue to indemnify the Association for matters specified under Sections 8.1 and 8.5 above and for any other obligations that expressly survive the termination hereof.

v. **Personal Property Transfer.** All personal property (including but not limited to equipment, hardware, trade and non-trade fixtures, materials and supplies) acquired pursuant to this Agreement, whether paid for directly by the Association or by way of reimbursement to Property Manager, shall become the property of the Association and shall remain in the Property at the termination of this Agreement.

This Section 9.3 shall survive the expiration or earlier termination of this Agreement.

10. **General Provisions.**

10.1 Independent Contractor. It is expressly understood and agreed that Property Manager is an independent contractor under this Agreement. the Association shall not and does not by this Agreement in any way or for any purpose become a partner of Property Manager in the conduct of its business, or otherwise, or a joint venturer of or a member of a joint enterprise with Property Manager (except that Property Manager is an affiliate of the Association). It is expressly understood and agreed by the parties hereto that either party may engage in any other business or investment, including the ownership of or investment in real estate and the development, operation and management of office, commercial and retail buildings, and that the other party hereto shall have no rights in and to any such business or investment or the income or profit derived there from.

10.2 Notices. All notices, approvals, demands, reports and other communications provided for in this Agreement (individually, a "**Notice**") shall be in writing and shall be given to such party at its address set forth below or such other address as such party may hereafter specify for the purpose by Notice to the other party listed below. Each Notice shall be deemed delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery, (b) if given by certified or registered mail, return receipt requested, deposited with the United States Mail with first-class postage prepaid, 72 hours after such Notice is deposited with the United States Mail, (c) if given by overnight courier with overnight courier charges prepaid, 24 hours after delivery to said overnight courier, or (d) if given by any other means, upon delivery when delivered at the following address:

If to the Association:

_____ Office Park Condominium Owners' Association, Inc.

_____, Texas _____

Attn: President

If to Property Manager:

_____, Texas _____

Attention: _____

10.3 Attorneys' Fees. If any action, arbitration or proceeding be commenced (including an appeal thereof) to enforce any of the provisions of this Agreement or to enforce a judgment, whether or not such action is prosecuted to judgment ("**Action**"), (a) the unsuccessful party therein shall pay all reasonable costs incurred by the prevailing party therein, including reasonable attorneys' fees and reasonable costs, court costs and reimbursements for any other expenses incurred in connection therewith, and (b) as a separate right, severable from any other rights set forth in this Agreement, the prevailing party therein shall be entitled to recover its reasonable attorneys' fees and costs incurred in enforcing any judgment against the unsuccessful party therein, which right to recover post-judgment attorneys' fees and costs shall be included in any such judgment. The right to recover post-judgment attorneys' fees and costs shall (1) not be deemed waived if not included in any judgment, (2) survive the final judgment in any Action, and (3) not be deemed merged into such judgment. The rights and obligations of the parties under this Section 11.3 shall survive the termination of this Agreement.

10.4 Non-Assignability. This Agreement and the rights and obligations hereunder, shall not be assignable by either party hereto, voluntarily or by operation of law, without the written consent of the other, except for (a) assignments required by any insurance carrier in any matter relating to subrogation, or (b) an assignment from the Association to another entity which is an affiliate of the Association or (c) an assignment for security purposes to lenders for the Property. Notwithstanding the foregoing, Property Manager shall have the right to subcontract, assign, and delegate its rights (including all or a part of its compensation hereunder), obligations, and duties hereunder to an affiliate of Property Manager, provided that such affiliate has expressly assumed, in writing, all of Property Manager's obligations hereunder, agrees in writing to look solely to Property Manager for compensation, and waives any claim against the Association or the Property in connection with such assignment or the performance of such duties and a copy of the assignment agreement is delivered to the Association and approved by the Association, which approval shall not be unreasonably withheld, conditioned or delayed. No such subcontract, assignment, or delegation shall relieve or release Property Manager of or from its duties and liabilities hereunder. Property Manager may, subcontract with third parties to assist it in carrying out the duties of Property Manager hereunder; provided that no such subcontract shall release Property Manager from its obligations hereunder.

10.5 Amendments. All amendments to this Agreement shall be in writing and executed by both parties.

10.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

10.7 Cooperation. Should any claim, demand, action or other legal proceeding arising out of matters covered by this Agreement be made or instituted by any third party against a party to this Agreement, the other party to this Agreement shall furnish such information and reasonable assistance in defending such proceeding as may be requested by the party against whom such proceeding is brought.

10.8 Waiver of Rights. The failure of the Association or Property Manager to seek redress for violations, or to insist upon the strict performance of any covenant, agreement, provision or condition of this Agreement, shall not constitute a waiver of the terms of such covenant, agreement, provision or condition at any subsequent time, or of the terms of any other covenant, agreement, provision or condition contained in this Agreement.

10.9 Successors and Assigns. Subject to the limitations in Section 11.4, this Agreement and each of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns, in cases where assignment is permitted.

10.10 No Recourse. The parties agree that there shall be no recourse against any member of the Association or against any officer or shareholder of Property Manager for any payments due, or the enforcement of any obligations under this Agreement; each party's liability under this Agreement shall be limited to the amount which can be recovered from such party's assets.

10.11 Severability. If any provision of this Agreement or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

10.12 No Third Party Beneficiary. Without limiting the rights of any secured lender which receives an assignment of the Association's interest hereunder for security purposes, this Agreement is made solely and specifically between and for the benefit of the parties hereto, and their respective successors and assigns subject to the express provisions hereof relating to successors and assigns, and no other person whatsoever shall have any rights, interest, or claims hereunder or be entitled to any benefits under or on account of this Agreement as a third party beneficiary or otherwise.

10.13 Definitions. For purposes hereof, "**Person**" is defined as any individual, partnership, corporation or other entity.

10.14 No Lien. This Agreement does not create a lien of any kind upon the Property or any other real or personal property.

10.15 Integration. This Agreement, the Schedules and Exhibits attached hereto and made a part hereof set forth the entire agreement and understanding of the parties with respect to the subject matter hereof, supersede and take the place of any and all previous agreements entered into between the parties hereto relating to the subject matter of this Agreement.

10.16 Trademark. Property Manager shall have no right to use the trademark or trade name of the Association or any member of the Association in connection with any product, promotion or publication without the prior written approval of such member, or to refer to the name of the Property without the prior written approval of the Association.

10.17 Declaration. The ownership, development, management, operation and maintenance of the Property are subject to the terms and conditions of the Declaration. In the event of a conflict between the terms of this Agreement and terms of the Declaration, the terms of the Declaration shall be applied.

IN WITNESS WHEREOF, the Association and Property Manager have executed this Agreement as of the day and year first above written.

ASSOCIATION

_____ OFFICE PARK CONDOMINIUM OWNERS' ASSOCIATION, INC.

By: _____

President

PROPERTY MANAGER

By: _____

President

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2013, by _____, President of _____ Office Park Condominium Owners' Association, Inc., a Texas non-profit corporation, on behalf of said association.

NOTARY PUBLIC, State of Texas

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2013, by _____, President of _____, a Texas corporation, on behalf of said corporation.

NOTARY PUBLIC, State of Texas

SCHEDULE 1

MANAGEMENT FEE COMPENSATION

During the Term of this Agreement, the Association shall pay Property Manager an annual fee (“**Management Fee**”) for its Property management services as defined in Section 7.1 of the Agreement. The Management Fee is as follows: _____.

SCHEDULE 2

NON-REIMBURSABLE PERSONNEL

1. Corporate Asset Management- Vice President
2. Off-site Financial Officer
3. Off-site Controller
4. Off-site accounting personnel
5. Off-site collection personnel
6. Off-site secretaries and receptionist

EXHIBIT "A"

DESCRIPTION OF LAND

Lot ____, Block ____, _____, a subdivision to the City of _____, _____ County, Texas, according to map or plat hereof recorded in Volume ____, Page ____, Plat Records of _____ County, Texas.

F. Association Operation Documents.

F1. Resale Certificate.

COMMERCIAL CONDOMINIUM RESALE CERTIFICATE

Condominium Certificate concerning Suite _____, in Building _____, of _____ Office Park, A Condominium project, located at _____ Street, City of _____, _____ County, Texas, on behalf of the condominium owners association (the Association) by the Association's governing body (the "Board").

- A. The Declaration does does not contain a right of first refusal or other restraint that restricts the right to transfer the Unit. See Article IX of the Declaration.
- B. The periodic common expense assessment for the Unit is \$_____ per month.
- C. There is is not a common expense or special assessment due and unpaid by the Seller to the Association. The total unpaid amount is \$_____ and is for _____.
- D. Other amounts are are not payable by Seller to the Association. The total unpaid amount is \$_____ and is for _____.
- E. Capital expenditures approved by the Association for the next 12 months are \$_____.
- F. Reserves for capital expenditures are \$_____; of this amount \$_____ has been designated for _____.
- G. The current operating budget of the Association is attached.
- H. The amount of unsatisfied judgments against the Association is \$_____.
- I. There are are not any suits pending against the Association. The nature of the suits is _____.
- J. The Association does does not provide certain insurance coverage for the benefit of Suite owners as per the attached summary from the Association's insurance agent.
- K. The Board has has no knowledge of alterations or improvements to the Suite or to the limited common elements assigned to the Suite or any portion of the project that violate any provision of the Declaration, Bylaws or Rules of the Association. Known violations are: _____.
- L. The Board has has not received notice from a governmental authority concerning violations of health or building codes with respect to the Suite, the limited common elements assigned to the Unit, or any other portion of the condominium project. Notices received are: _____.
- M. The remaining term of any leasehold estate that affects the condominium is "none" and the provisions governing an extension or renewal of the lease are: not applicable
- N. The name, mailing address and telephone number of the Association's managing agent are:

(Name)	(Telephone Number)
(Mailing Address)	(____)

REQUIRED ATTACHMENTS:

- 1. Operating Budget
- 2. Insurance Summary

NOTICE: The Certificate must be prepared no more than three months before the date it is delivered to Buyer.

Received: _____, _____

Buyer _____

Buyer _____

_____ Office Park
Condominium Owners' Association, Inc.

By: _____

_____ Title

_____ Mailing Address

Date _____ () _____ Phone No.

b. Liens securing amounts due or to become due under any mortgagee, vendor's lien or deed of trust filed for record prior to the date payment of such assessment for Common Expenses becomes due.

6. The Declaration provides that no owner of a Condominium Unit shall be exempt from contributing towards the common expense or other assessment by waiver of the use or enjoyment of the common elements, either general or limited, or by abandonment of the condominium unit belonging to that person or persons.

7. Further, the Association declares that the above amount was due but not paid on the filing of this lien, and that in accordance with the Bylaws and Declaration of Condominium, interest at the rate of 18% per annum shall be and has been imposed upon such unpaid sums until paid."

Affiant

SWORN TO AND SUBSCRIBED BEFORE ME, at _____, Texas,
this ____ day of _____, 2013.

Notary Public, State of Texas