

CONDOMINIUM DECLARATION

FOR

R. O. R. V. P. CONDOMINIUM ASSOCIATION, INC.

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CONDOMINIUM DECLARATION

FOR

R. O. R. V. P. CONDOMINIUM ASSOCIATION

This Declaration is made and established on October _____, 2007, by Declarant;

RECITALS:

A. Declarant is the fee simple owner of the Property.

B. Declarant desires to create a Condominium pursuant to the provisions of the Act.

C. Declarant intends hereby to establish a plan for the ownership of estates in the real property consisting of Padsites and the appurtenant undivided interests in the Common Elements;

NOW, THEREFORE, Declarant does hereby submit the Property to the provisions of the Act and the Condominium established hereby, and does hereby publish and declare that the following terms, provisions, covenants, conditions, easements, restrictions, reservations, uses, limitations and obligations are hereby established and shall be deemed to run with the Land and shall be a burden and benefit to Declarant, the Association, the Owners and their respective heirs, legal representatives, successors and assigns:

ARTICLE I

Definitions

Section 1.1 Terms Defined. As used in this Declaration, the following terms shall have the meanings set forth below:

“Access Easement” means a perpetual, irrevocable and non-exclusive easement and right of access and entry to each Padsite as may reasonably be necessary for (i) the maintenance, repair or replacement of any of the Common Elements thereon or accessible there from, (ii) the making of emergency repairs therein necessary to prevent damage to the Common Elements or to any Padsite and (iii) such other reasonable purposes as are deemed by the Association to be necessary for the performance of the obligations of the Association as described herein and in the Bylaws.

“Act” means the Uniform Condominium Act, Texas Property Code, Chapter 82, Section 82.001 et seq., as amended from time to time.

“Architectural Committee” shall mean and refer to the representative board that is responsible for the approval of submitted plans and designs: as to the quality of workmanship, materials and harmony of exterior design, as well as the suitability of location.

“Assessments” means Monthly Assessments and Special Assessments and water and wastewater sub-metering charges described in Article VI, together with dues, fees, charges, interest, late fees, fines, collection costs, attorney’s fees, and any other amount due to the Association by the owner of a Padsite or levied against a Padsite by the Association.

“Association” means R. O. R. V. P. Condominium Association, Inc., a Texas non-profit corporation organized under the Act and created for the purposes and possessing the rights, powers and authority set forth herein and in the Articles.

“Board of Directors” means the board of directors of the Association named in the Articles, and their successors as duly elected and qualified from time to time.

“Building” means any structure located on the Land, including all elements thereof exclusive only of elements otherwise within the definition of a Padsite.

“Certificates” means the Certificate of Formation of the Association filed with the Secretary of state of Texas, as amended from time to time.

“Code” means the Business Organizations Code, and/or the same as may be amended from time to time.

“Common Elements” means all portions of the Condominium, but excluding the Padsites.

“Common Elements Easement” means a perpetual, irrevocable and non-exclusive easement over the Common Elements for ingress to and egress from each Padsite, together with the non-exclusive right to use and enjoy the Common Elements.

“Condominium” means the form of real property established by this Declaration with respect to the Property, in which portions of the Property are designated for individual ownership or occupancy and the remainder of the Property is designated for common ownership or occupancy solely by the owners of such remainder, and containing a maximum of 114 Condominium Padsites.

“Condominium Information Statement” means the condominium information statement prepared by Declarant in accordance with the provisions of the Act.

“Condominium Padsite” means a Padsite which is designated for residential purposes, together with an undivided interest, appurtenant to the Padsite, in and to the Common Elements.

"County" means Aransas County, Texas.

"Declarant" means R. O. R. V. P., LLC, whose address for notice is 721 Monkey Road, Rockport, Texas 78382, and any assignee of Declarant evidenced by a written instrument filed for record in the Real Property Records of the County where the Land is located, assigning the rights, powers, privileges and prerogatives of Declarant hereunder.

"Declarant Control" means the period commencing on the date of this Declaration and continuing until one hundred twenty (120) days after the date that deeds to not less than seventy-five percent (75%) of the Condominium Padsites have been recorded in the Real Property Records of the County.

"Declaration" means this Condominium Declaration for R. O. R. V. P. Condominium Association and all recorded amendments thereto, which Declaration and all amendments thereto, shall be recorded in the County.

"Development Rights" means a right or combination of rights to: (i) add real property to the Condominium; (ii) create Padsites, or Common Elements within the Condominium; (iii) subdivide Padsites into Common Elements; or (iv) withdraw real property from the Condominium. The Development Rights so reserved may be exercised by Declarant to the extent and only if permitted by the Act and at all times while Declarant owns any Padsite or other real property interest in the Condominium, or for such lesser time as may be permitted by the Act.

"Easements" means collectively the Access Easement, the Common Elements Easement, and the Utility Easement.

"First Lien Indebtedness" means any indebtedness secured by a first and prior lien or encumbrance upon an Owner's Padsite.

"First Mortgagee" means any Person which is the holder, insurer or guarantor of First Lien Indebtedness and which has provided the Association with written notice of its name, address and description of the Owner's Padsite upon which it holds the First Lien Indebtedness.

"Insurance Proceeds" means any and all proceeds received by an Owner from an insurance company as a result of a casualty loss in connection with an Owner's Padsite.

"Improvements" means all Buildings, pavements, fencing, landscaping, recreational facilities, plumbing, electrical and telephone lines and computer cables and man-made objects of every type, existing or placed on the Land.

"Land" means that certain lot, tract or parcel of land located in the County and more particularly described in Exhibit "A" attached to this Declaration, together with all and singular the rights and appurtenances pertaining thereto.

“Manager” means any experienced and professional manager or management company with whom the Association contracts for the day-to-day management of the Property an/or the administration of the Association and the Condominium.

“Map” means the plats and plans described on Exhibit “B”, attached hereto and made a part hereof, including, without limitation, a survey plat of the Land and dimensional drawings that horizontally and if necessary, vertically identify and describe the Padsites and the Common Elements.

“Monthly Assessment” means the monthly assessment established pursuant to Section 6.1 of this Declaration by the Board of Directors to pay Common Elements Expenses when due.

“Owner” means any Person (including Declarant) owning fee title to a Condominium Padsite, but does not include any Person having an interest in a Condominium Padsite solely as security for an obligation.

“Owner’s Padsite” means each Condominium Padsite, owned by an Owner, together with the unrestricted right of ingress and egress thereto.

“Past Due Rate” means the maximum lawful rate of interest under Texas law or, if there be no maximum lawful rate, the rate of eighteen percent (18%) per annum.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, estate, trust, unincorporated association and any fiduciary acting in such capacity on behalf of any of the foregoing.

“Property” means the Land and the Improvements.

“Regulations” means the rules and regulations of the Association initially adopted by Declarant and later the Board of Directors and relating to the appearance, use and occupancy of the Property, including exterior appearance, use and occupancy of the Padsites, as amended from time to time.

“Rental Pool” means a subgroup of Owners renting their Padsites to any person and which is to be managed exclusively through the Board of Directors or its assigns.

“Rents” means any and all rental or other income received in connection with the renting of an Owner’s Padsite through the Rental Pool.

“Padsite” means a physical portion of the Condominium that is designated for separate ownership or occupancy (the boundaries of which are depicted on the Map) and all Systems.

“Special Assessments” means special assessments established by the Board of Directors under the provisions of Section 6.2 and Article VII of this Declaration from time to time.

“Special Declaration Rights” means rights reserved for the benefit of Declarant to: (i) complete Improvements shown on the Map; (ii) exercise any Development Right; (iii) make the Condominium a part of a larger condominium or planned community; (iv) maintain the sales, management and leasing offices and models described in this Declaration, as well as signs advertising the Padsites of the Condominium; (v) use Easements through any Common Elements for the purpose of making improvements within the Condominium or the Property; (vi) appoint or remove any officer or board member of the Association during any period of Declarant Control; or (vii) exercise the rights and powers enumerated in Section 3.4.

“Structure” shall mean and refer to : (1) any thing or device, other than trees, shrubbery (less than two feet high if in the form of a hedge) and landscaping (the placement of which upon any Padsite shall not adversely affect the appearance of such Padsite) including but not limited to any building, garage, porch, shed, greenhouse or bathhouse, cabana, coop or cage, covered or uncovered patio, swimming pool, play apparatus, clothesline, fence, curbing, paving, wall or hedge more than two feet in height, signboard or other temporary or permanent living quarters or any temporary or permanent Improvement to any Padsite; (ii) any excavation, fill, ditch, diversion dam or other thing or device which affects or alters the flow of any waters in any natural or artificial stream, wash or drainage channel from, upon or across any Padsite; (iii) any enclosure or receptacle for the concealment, collection and/or disposition of refuse; and (iv) any change in the grade of any Padsite of more than three (3) inches from that existing at the time of initial approval by the Architectural Review Committee.

“Systems” includes, but is not limited to, all fixtures, equipment, pipes, lines, wires, computer cables, conduits and other systems used in the production, heating, cooling and/or transmission of air, water, gas, electricity, communications, waste water, sewage, audio and video signals.

“Tenant” means any Person having the right to occupy a Padsite pursuant to a rental agreement under the terms of the Rental Pool.

“Utility Easement” means a perpetual and irrevocable easement for utilities.

Section 1.2. Number and Gender. Whenever the context requires, references in this Declaration to the singular number shall include the plural, and, likewise, the plural number shall include the singular, and words denoting gender shall include the masculine, feminine and neuter.

ARTICLE II

General Provisions

Section 2.1. Creations of Units; Map.

(a) The Property is hereby composed of separately designated Condominium Padsites, and such Condominium Padsites’ undivided interest in and to the Common Elements. Each

Condominium Padsite, together with such Condominium Padsites' undivided interest in the Common Elements is for all purposes a separate parcel of and estate in real property. Accordingly, each such separate parcel of and estate in real property shall be deemed to include the Common Elements Easement that is hereby granted and conveyed to each Owner by Declarant. The separate parcels of and estates in real property designated hereby shall be created on the date of filing of this Declaration in the Real Property Records of the County, and shall continue until this Declaration is revoked or terminated in the manner herein provided.

(b) The Map sets forth, inter alia, the following: (1) a general description and diagrammatic plan of the Condominium; (2) the location and dimension of all real property subject to Declarant's Development Rights; (3) all Improvements including each Padsite showing its location, and (4) such other information as is desirable or required pursuant to Section 82.054 of the Act, including a certification as to compliance with Section 82.059 of the Act. The measurements set forth on the Map as to each Padsite are nominal values taken from the plans and specifications for the Property and may not be precisely accurate. Declarant shall not be liable to any Owner as a result of any discrepancies in actual Padsite measurements from those set forth on the Map, and each Owner, by accepting a deed to a Padsite, waives any such claim or cause of action against Declarant.

Section 2.2. **Allocation of Interests in Common Elements.** The undivided interest of each Owner in and to the Common Elements shall be allocated based on the percentages set forth opposite the Padsite numbers in Exhibit "C" attached hereto and made a part hereof. The Common Elements shall remain undivided.

Section 2.3. **Inseparability of Units; No Partition.** Each Padsite shall be inseparable, and shall be acquired, owned, conveyed, transferred, leased and encumbered only as an entirety. In no event shall a Padsite held by more than one Owner be subject to physical partition and no Owner or Owners shall bring or be entitled to maintain an action for the partition or division of a Padsite or the Common Elements. Any purported conveyance, judicial sale, or other voluntary or involuntary transfer of an undivided interest in the Common Elements without the Padsite to which such Common Elements are allocated is void ab initio.

Section 2.4. **Permissible Relationships; Description.**

(a) A Padsite may be acquired and held by more than one Person in any form of ownership recognized by the laws of the State of Texas.

(b) Any contract or other instrument relating to the acquisition, ownership, conveyance, transfer, lease or encumbrance of a Padsite shall legally describe such Padsite by its identifying Padsite number, followed by the words R. O. R. V. P. Condominium Association, located in Aransas County, Texas, with further reference to the recording data for this Declaration (including the Map and any amendments to the Declaration). Every such description shall be good and sufficient for all purposes to acquire, own, convey, transfer, lease, encumber or otherwise deal with such Padsite, and any such description shall be construed to include all incidents of ownership relating to a Padsite.

Section 2.5. **Mortgage of Unit.** An Owner shall be entitled from time to time to mortgage or encumber such Owner's Padsite by creating a lien covering Padsite under the provisions of a deed of trust, but any lien created thereby shall be subject to the terms and provisions of this Declaration, and any mortgagee or other lienholder which acquires an Owner's Site through judicial foreclosure, public sale or any other means shall be subject to the terms and provisions of this Declaration, except as specifically provided to the contrary herein. An Owner which mortgages such Owner's Site shall notify the Association, giving the name and address of said Owner's mortgagee. The Association shall maintain such information in a book entitled "Mortgagees of Owner's Padsites." If an Owner's First Mortgagee has requested notice of default, then the Association shall notify an Owner's First Mortgagee, in writing, of any default by such Owner in the performance of such Owner's obligations as set forth in this Declaration not cured within sixty (60) days of the default.

ARTICLE III

Uses, Reservations and Restrictions

Section 3.1. **Permitted Use.**

(a) Except as hereinafter provided with respect to Condominium Padsites owned by Declarant, no Condominium Site shall be used or occupied for other than single family residential purposes. Each Site shall also be subject to limitations on use, occupancy, architectural standards and such other matters as are set forth herein and in the Regulations.

(b) Padsites may be leased; however, no lease shall be made for transient or hotel purposes or for any term of less than _____ (except by a First Mortgagee following a foreclosure of liens securing First Lien Indebtedness). No Owner shall lease less than an entire Site. Any such lease shall be in writing, shall state that it is subject in all respects to the provisions of this Declaration, the Bylaws and the Regulations, and shall provide that any failure by the Tenant there under to comply with the terms and provisions of this Declaration, the Bylaws or the Regulations shall be and constitute a default under such lease. A copy of each lease shall be submitted to the Association promptly following execution.

(c) At all times while Declarant is the Owner of any Padsite, Declarant may (i) maintain a management office, sales office, leasing office, models and other sales facilities in Padsites or (ii) operate within the Condominium a sales, leasing or management office which is not located within a Padsite, in which event such office shall be a Common Element subject to the exclusive use of Declarant. Declarant may, upon prior written notice to all Owners, change the location of any Padsites used as offices or models, but may not increase the size or number of such Padsites except by amendment of this Declaration.

Section 3.2. **Further Use Requirements.** Each Owner shall maintain such Owner's Padsite in a safe, clean and sanitary condition, and shall not maintain at such Owner's Padsite, or permit such Owner's Padsite or the Limited Common Elements appurtenant thereto to become, a

public or private nuisance.

Section 3.3. Compliance with Declaration, Bylaws and Regulations. Each Owner, by accepting or possessing title to an Owner's Padsite and any Tenant having the right to occupy any Owner's Padsite pursuant to a lease granted by an Owner, shall automatically be deemed to have agreed to strictly comply with the provisions of this Declaration, the Bylaws and the Regulations. A failure or refusal to so comply with the provisions of any such instrument, after written notice, shall be grounds for an action to recover damages or sums due, with interest thereon at the Past Due rate, or for injunctive relief, or both, and for reimbursement of all attorneys' fees incurred in connection therewith, which action shall be maintainable by the Board of Directors or the Manager in the name of the Association on behalf of all of the Owners or, in a proper case, by an aggrieved Owner. In addition, an Owner's voting rights in the Association and Owner's or Owner's lessee's right to use and enjoy the Common Elements may by written notice be suspended by the Association during the period of such noncompliance.

Section 3.4. Reservations by Declarant. To the extent and only if permitted by the Act, and at all times while Declarant owns any Padsite or any other real property interest in the Condominium or for such lesser time as may be permitted by the Act, Declarant reserves, as a part of the Special Declarant Rights, the following rights: (i) to make and record corrections to the Map to conform the same to the actual location of the Improvements, the actual size and location of the Padsites and/or the proper designation of the elements of the Improvements as Padsites, or Common Elements; (ii) to establish, vacate, relocate and use the Easements as set forth in this Declaration; provided, however, that no modification of any Easement shall have the effect of altering or destroying a Site unless consented to by the Owner of such Padsite as well as by the First Mortgagee of any such Site; (iii) to include, in any instrument initially conveying a Padsite, such additional reservations, exceptions and exclusions as it may deem consistent with and in the best interests of the Owners and the Association; (iv) have and use an easement over, under and across any and all of the Common Elements to the extent that same may be necessary or useful in constructing, repairing or completing the Padsites or as may be reasonably necessary for the exercise of any Special Declarant Rights or the performance of any obligations of the Declarant; and (v) exercise any Development Right.

Section 3.5. Easements.

(a) Declarant hereby reserves the Access Easement and Utility Easement for the benefit of all Owners, the Association and its agents, employees and representatives, including the Manager and the Manager's agents and employees as the case may be, and each Owner shall be virtue of this Declaration, accept the deed to such Owner's Padsite subject to the Access Easement and the Utility Easement. Declarant hereby serves for the benefit of each Owner, the Common Elements Easement and declares that by virtue of this Declaration the Common Elements shall be subject to the Common Elements Easement. Each Owner hereby provides the Association with permission to such Owner's Site for Access Easement purposes. Declarant may, in addition to the rights to relocate set forth in this Section 3.4, record an easement or easement relocation agreement in the Real Property Records of the County, specifically locating

or relocating the Utility Easement subsequent to the recordation of this Declaration, and the Owner of each Site, by acceptance of the deed to a Site, hereby grants Declarant during the period of Declarant Control an irrevocable power of attorney, coupled with an interest, with full power and authority to locate or relocate the Utility Easement.

(b) Declarant hereby reserves for both the Declarant, prior to the termination of Declarant Control, and the Association, after the termination of Declarant Control, the right to grant easements for purpose of utilities over any and all of the Common Elements.

Section 3.6. **Encroachments.** If as of the original construction, reconstruction, repair, shifting, settlement or other circumstances any portion of the Common Elements encroaches upon an Owner's Padsite, an irrevocable and perpetual easement for such encroachment and for the maintenance of the same is hereby granted and conveyed to the Association by each Owner at the time each Owner's Padsite is conveyed to the Owner. If as a result of the original construction, reconstruction, repair, shifting, settlement or other circumstance any portion of an Owner's Padsite encroaches upon the Common Elements, or upon any adjoining Owner's Padsite, an irrevocable and perpetual easement for such encroachment and for the maintenance of the same is hereby granted to the Owner of such Owner's Padsite. Such encroachments and easements shall not be considered or determined to be encumbrances either upon a Padsite or upon the Common Elements.

Section 3.7. **Mechanic's Liens; Indemnification.** No labor performed or materials furnished and incorporated in an Owner's Site with the consent or at the request of an Owner or an Owner's agents or representatives, shall be the basis for the filing of a lien against the Padsite of any other Owner not expressly consenting to or requesting the same, or against the Common Elements. Each Owner shall indemnify and hold harmless each of the other Owners and the Association from and against all liabilities and obligations arising from the claim of any lien against the Padsite of such other Owners or the Common Elements.

ARTICLE IV

Matters Regarding the Association

Section 4.1. **General.** The Association has been incorporated as a nonprofit corporation under the Code. In addition to the powers conferred on the Association under the Bylaws and hereunder, the Association may take all actions authorized by Section 82.102 of the Act. Any and all actions taken by the Association pursuant to this Declaration, the Act or the Bylaws is binding on all Owners. This Declaration does not provide for any limitations or restrictions on the power of the Association or the Board of Directors.

Section 4.2. **Allocation of Votes in the Association.** Each Owner shall automatically be a member of the Association and shall possess a vote with respect to each Condominium Padsite owned by such Owner equal in weight to such Owner's undivided interest in and to the Common Elements as set forth as each Condominium Padsite's percentage of Common Elements on

Exhibit "C" attached to this Declaration. All voting rights of an Owner may be suspended during any period that such Owner is delinquent in the payment of any Assessment duly established pursuant to Article VI or Article VII, or otherwise in default under the terms of this Declaration, the Bylaws or the Regulations. Any matter described herein as requiring approval by a stated percentage or a majority of the Owners shall mean a stated percentage or a majority of the allocated votes held by those Owners who are then eligible to vote.

Section 4.3. **Right of Action by Owners.** Owners, acting collectively or individually, shall have the right to maintain actions against the Association for its failure to comply with the provisions hereof or to perform its duties and responsibilities hereunder.

ARTICLE V

Maintenance, Alterations, Insurance, Taxes and Utilities

Section 5.1. **Maintenance.**

(a) Each Owner shall be responsible for and shall maintain and repair, at the Owner's sole cost and expense, the Owner's Padsite including, without limitation, all Systems that serve only or are a part of the Owner's Padsite, fixtures and appliances therein contained. No Owner shall be required to directly pay the cost and expense of structural repairs to the Common Elements unless necessitated by the willful or negligent misuse thereof by the Owner, the occupants or the invitees of such Owner's Padsite, in which event such costs and expenses shall constitute the sole obligation of the Owner. Any maintenance and repair work to an Owner's Padsite done by or on behalf of the Owner shall be done in a good and workmanlike manner using materials of equal or better quality than the materials removed. In the event an Owner fails to discharge the Owner's maintenance obligations hereunder, the Association shall be entitled (but not obligated) to cause such work to be done, and the cost and expense thereof shall be and constitute a lien upon such Owner's Padsite which lien may be enforced in the same method as is provided for the enforcement of Assessment liens pursuant to the provisions of Section 6.4 of this Declaration. Damage to the interior of any Padsite resulting from such maintenance, repair and replacement activities by the Association, whether by reason of an emergency or otherwise, shall constitute a Common Expense and be payable by the Association; provided, however, that if such maintenance, repairs or replacements are the result of the misuse or negligence of an Owner, or its guests or invitees, then such Owner shall be responsible and liable for all such damage.

(b) All Common Elements shall be maintained by the Association, the cost and expense of which shall constitute a Common Expense and be payable by the Association. The Association will maintain in good condition and repair the Common Elements and will establish and maintain an adequate reserve fund for such purposes, to be funded by Monthly Assessments. Subject to the provisions of Section 5.2(d) to this Declaration, nothing herein shall be deemed or construed as relieving any Owner from liability or responsibility for damage to the Common Elements caused by the negligence or misconduct of Owner or Owner's occupants or invitees.

(c) The Association shall not be liable for injury or damage to any person or property caused by the elements or by the Owner of any Padsite, or any other person, or resulting from any utility, rain, water or other elements which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder. The Association shall not be liable to any Owner or occupants of any Padsite or such Owner's tenant, guest, or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Elements. The Association shall not be liable to any Owner or occupant for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Section where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities.

(d) In the event a dispute shall arise among Owners as to the proper party to bear a maintenance cost or expense, the Board of Directors shall be entitled to resolve such dispute; provided, however, that nothing herein shall be deemed or construed as limiting an Owner's right to have the provisions of this Section interpreted by a court of competent jurisdiction; provided further, however, that any such cost or expense so disputed shall be paid in accordance with the determination of the Board of Directors pending final judgment in any such legal proceedings.

Section 5.2. Insurance.

(a) Commencing upon the first conveyance of any Padsite to an Owner other than the Declarant, the Association will obtain and maintain, as a Common Expense, insurance coverage required pursuant to Section 82.111 of the Act and such additional coverage as the Association deems appropriate.

(b) Insurance policies shall provide that:

- (1) each Owner is an insured person under such policies with respect to liability arising out of the Owner's ownership of an undivided interest in the Common Elements or membership in the Association;
- (2) insurance trust agreements will be recognized;
- (3) any right of subrogation of the issuer of the insurance against individual Owners is waived;
- (4) the coverage of the policy is not prejudiced by any act or omission of an individual Owner to the extent that such act or omission is not within the collective control of all Owners;
- (5) such policy is primary insurance if at the time of a loss under the policy any Owner has other insurance covering the same property covered by the policy;

- (6) no action or omission by any Owner, unless validly exercised on behalf of the Association, will void the policy or be a condition to recovery under the policy;
- (7) the policy may not be canceled or renewal refused, except after thirty (30) days prior written notice to the Association; and
- (8) such policy will not lapse, be canceled or modified except after fifteen (15) days' prior written notice to the Association and to each First Mortgagee listed as such in such insurance policy.

(c) The Manager shall be reflected as additional insured on any commercial general liability insurance policy carried by the Association.

(d) The Board of Directors shall have the express authority, on behalf of the Association, to name as insured an authorized representative, including any trustee (or successor thereto) with whom the Association has entered into any insurance trust agreement, which authorized representative shall have exclusive authority to negotiate losses under any policy providing the property or liability insurance required to be provided herein.

(e) By acceptance of a deed to a Padsite, each Owner shall be deemed to have irrevocably appointed the Association (which appointment shall be deemed a power coupled with an interest), together with any insurance trustee, successor trustee or authorized representative designated by the Association, as such Owner's attorney-in-fact for the purpose of purchasing and maintaining the insurance required hereunder as well as for submission of and adjustment of any claim for loss, the collection and appropriate disposition of the proceeds thereof, the negotiation of losses and execution of release of liability, the execution of all documents, and the performance of all other acts necessary to accomplish such purpose. The Association or such trustee, successor trustee or authorized representative must receive, hold or otherwise properly dispose of any proceeds of insurance in trust for the Owners and the First Mortgagees as their interest may appear based on the fair market value of the interest damaged or destroyed. Any proceeds paid under such policy shall be disbursed first for the repair or restoration of any damaged Common Elements and Padsites, if covered, and no Owner or First Mortgagee or other lienholder shall receive payment of any portion of such proceeds unless a surplus remains after the Condominium has either been completely restored or the Condominium has been terminated.

(f) The Association shall be entitled to obtain and maintain such additional insurance coverages hereunder as the Board of Directors may deem necessary or appropriate including, without limitation, liability insurance for all officers, directors, trustees and employees of the Association. The premiums for all insurance coverages maintained by the Association pursuant to this Section shall constitute a Common Element and be payable by the Association.

(g) An Owner shall be responsible for obtaining and maintaining at such Owner's sole cost and expense insurance covering all alterations, additions, betterments and improvements to

such Owner's Padsite and all other personal property located at the Owner's Padsite or constituting a part thereof. Nothing herein shall be deemed or construed as prohibiting an Owner, at such Owner's sole cost and expense, from obtaining and maintaining such further and supplementary insurance coverages as such Owner may deem necessary or appropriate. Notwithstanding anything herein to the contrary neither Declarant nor the Association has any responsibility or liability whatsoever regarding or pertaining to the real or personal property of each Owner.

Section 5.3. **Taxes.** Declarant shall give written notice to the appropriate taxing authorities of the creation of the Condominium established hereby, and each Padsite shall be subject to separate assessment and taxation. Each Owner shall be responsible for and shall pay when due all taxes, assessments and other governmental impositions lawfully levied or assessed with respect to such Owner's Padsite. Any taxes, assessments or other governmental impositions lawfully levied or assessed with respect to the Property not separately billed to the Owners shall constitute a Common Expense and be payable by the Association.

Section 5.4. **Utilities.** Each Owner shall be responsible for and shall pay all utility, gas, electricity, water, audio, video and other charges relating to such services used or consumed at or with respect to the occupancy of the Owner's Padsite. To the extent such charges are separately metered by the respective companies, the Owner shall pay such charges directly to such company. Any utility not so separately metered, and charges relating to all services used in connection with the use and maintenance of the Common Elements, shall constitute a Common Expense and be payable by the Association. Each Owner understands that the Condominium is on a septic system (the "OSSF System"), which shall be maintained and controlled by the Association. However, in the event the Association becomes deficient in any way, each Owner is responsible for the maintenance and liability of the OSSF System to the extent of each Owner's undivided interest in the Common Elements. In the event this Declaration is revoked or the Condominium terminated, then ownership of the OSSF and the Common Elements it is located on shall automatically revert back to Declarant or its successors and assigns, as more specifically set forth in Section 11.1 hereof.

ARTICLE VI

Assessments

Section 6.1. Monthly Assessments; Budget.

(a) The Association shall possess the right, power, authority and obligation to establish a regular Monthly Assessment sufficient in the judgment of the Board of Directors to pay all Common Expenses when due. Such Monthly Assessments so established shall be payable by the Owners on the first day of each calendar month, and shall be applied to the payment of charges for which the Association is responsible, including, without limitation, charges relating to maintenance and repair of elements of the Property not the responsibility of the Owners, care of the Common Elements, casualty, public liability and other insurance coverages required or permitted to be maintained by the Association, governmental impositions not separately levied

and assessed, utilities relating to the Common Elements or not separately metered, professional services, such as management, accounting and legal, and such other costs and expenses as may reasonably relate to the proper maintenance, care, operation and management of the Property, and the administration of the Association and the Condominium established hereby, including an adequate reserve fund for the periodic maintenance, repair and replacement of the Common Elements. No consent or approval of the Owners shall be required for the establishment of the Monthly Assessments. Collection of Monthly Assessments, as to each Owner, shall commence upon the acquisition by such Owner of title to such Owner's Padsite until such time as Control of the Condominium shall have terminated, the Association's reserve funds may not be used for payment of operating expenses of the Condominium.

(b) Prior to the commencement of each fiscal year of the Association, the Board of Directors shall prepare and deliver to each of the Owners a budget setting forth the anticipated Common Expenses for the ensuing year. Such budget shall be in sufficient detail so as to inform each Owner of the nature and extent of the Common Expenses anticipated to be incurred, and shall be accompanied by a statement setting forth each Owner's monthly share thereof and the date as of which such Monthly Assessment commences to be payable. No further communication shall be necessary to establish the amount of each Owner's obligation regarding the Monthly Assessment payable hereunder, and the failure of the Board of Directors to timely deliver the budget provided for herein shall in no event excuse or relieve an Owner from the payment of the Monthly Assessments contemplated hereby. Any budget prepared and delivered to the Owners as hereby contemplated may be amended as and to the extent reasonably necessary, and the amount of the Owner's Monthly Assessment changed to correspond therewith. If the proposed budget for a fiscal year increases more than twenty percent (20%) above the budget for the preceding fiscal year, such budget must be approved by the affirmative vote of the Owners holding not less than sixty-seven percent (67%) of the votes allocated by the Declaration.

Section 6.2. **Special Assessments**. In addition to the Monthly Assessments contemplated by Section 6.1, the Association shall possess the right, power and authority to establish Special Assessments from time to time as may be necessary or appropriate in the judgment of the Board of Directors to pay non-recurring Common Expenses relating to the proper maintenance, care, alteration, improvement, operation and management of the Property, and the administration of the Association and the Condominium established hereby. Except as contemplated by Article VII, no consent or approval of the Owners shall be required for the establishment of a Special Assessment as contemplated by this Section, except for any Special Assessment relating to the alteration or improvement of any element of the Property, which must be approved by the affirmative vote of those Owners holding not less than sixty-seven percent (67%) of the votes allocated by this Declaration at a meeting of the Association duly called for purposes of considering same.

Section 6.3. **Obligation to Pay Assessments**. Each Owner shall be personally obligated to pay Owner's share (i.e., in accordance with Owner's undivided interest in and to the Common elements as set forth in Exhibit "C") of all Assessments duly established pursuant to this Article and Article VII. Unpaid Assessments due as of the date of the conveyance or transfer of a Padsite shall not constitute a personal obligation of the new Owner (other than such new Owner's pro

rata share of any reallocation thereof); however, the former Owner shall continue to be personally liable for such unpaid Assessment. No Owner shall be entitled to exemption from liability for Owner's obligation to pay such Assessments by waiver of the use and enjoyment of the Common Elements, by an abandonment of the Owner's Padsite or by any other action whatsoever. Any Assessment not paid within five (5) days of the date due shall bear interest at the Past Due Rate, and shall be recoverable by the Association, together with interest as aforesaid and all costs and expenses of collection, including reasonable attorneys' fees, by suit in a court of competent jurisdiction sitting in the County. It shall be the responsibility of the Board of Directors to collect any such delinquent Assessment, the existence of which shall be made known by written notice delivered to the defaulting Owner and, where requested, the Owner's First Mortgagee. The Association shall give written notice of any sixty (60) day delinquency in the payment of assessments or charges by an Owner to the First Mortgagee of such Owner's Padsite to the extent the First Mortgagee has requested such notices be provided.

Section 6.4. **Lien to Secure Payment of Assessments.** Declarant hereby reserves and assigns to the Association a lien, pursuant to the provisions of Section 82.113 of the Act, against each Owner's Padsite, the Rents, if any, payable to the Owner of any Padsite and Insurance Proceeds received by the Owner of any Padsite to secure the payment of all Assessments, which lien shall be and constitute a lien and encumbrance, in favor of the Association, upon such Owner's Padsite, the Rents, and any Insurance Proceeds. The Liens established herein shall be prior and superior to all other liens and encumbrances subsequently created upon such Owner's Padsite, Rents and Insurance Proceeds, regardless of how created, evidenced or perfected, other than the lien securing the payment of First Lien Indebtedness (provided such lien was recorded prior to the date on which the Assessment became delinquent) and the liens for unpaid taxes, assessments and other governmental impositions. The liens and encumbrances created herein may be enforced by any means available at law or in equity, including, without limitation, a non-judicial foreclosure sale of the Padsite of a defaulting Owner; such sale to be conducted in the manner set forth in Texas Property Code Section 51.002 (as now written or as hereafter amended). The Owner of each Padsite, by acquisition of such Owner's Padsite, grants to the Association a power of sale in connection with the Association's liens. By written resolution, the Board of Directors may appoint, from time to time, an officer, agent, trustee or attorney of the Association to exercise the power of sale on behalf of the Association. The Association may bid for the purchase the Owner's Padsite, as a Common Expense, at any such foreclosure sale. The foreclosure by a First Mortgagee of an Owner's Padsite in order to satisfy First Lien Indebtedness will extinguish the subordinate lien for any Assessments which became payable prior to the date of such foreclosure sale.

Section 6.5. **Commencement of Obligation to Pay Assessments.** Each Owner, other than Declarant, shall be obligated to commence payment of all Assessments against such Owner's Padsite on the date the Owner's Padsite is conveyed to the Owner. If such date is other than the first day of a month, then such Owner shall be obligated to pay only a pro rata share of the Assessment against such Owner's Padsite based on the number of days during such month that the Owner will hold title to the Owner's Padsite. Prior to the end of the Declarant Control, Declarant shall not be required to pay Assessments on Padsites owned by Declarant, but so long as Declarant is not paying such Assessments, Declarant shall pay all operational expenses over

and above the Monthly Assessments paid by Owners other than Declarant. Nothing contained herein shall prevent Declarant from collecting from the purchaser of a Padsite at closing any

expenses, such as taxes or insurance, to the extent that Declarant prepaid on behalf of the Padsite being purchased.

Section 6.6. **Redemption by Owner.** The Owner of a Padsite purchased by the Association, at a foreclosure sale of the Association's lien for Assessments, may redeem the Padsite not later than the ninetieth (90th) day after the date of the foreclosure sale. To redeem the Padsite, the Owner must pay to the Association all amounts due the Association at the time of the foreclosure sale, interest from the date of foreclosure sale to the date of redemption at the Past Due Rate, reasonable attorneys' fees and costs incurred by the Association in foreclosing the lien, any Assessment levied against the Padsite by the Association after the foreclosure sale, and any reasonable costs incurred by the Association, as Owner of the Padsite, including costs of maintenance and leasing. Upon redemption, the Association shall execute a deed to the redeeming Owner of the Padsite. The exercise of the right of redemption is not effective against a subsequent purchaser or lender for value without notice of the redemption after the redemption period expires unless the redeeming Owner of the Padsite records prior to such date the deed from the Association or an affidavit stating that the Owner has exercised the right of redemption. A Padsite that has been redeemed remains subject to all liens and encumbrances on the Unit before foreclosure. All Rents collected from the Padsite by the Association from the date of foreclosure sale to the date of redemption belong to the Association, but the Rents after the Rental Pool deductions, shall be credited against the redemption amount. If the Association purchases a Padsite at a sale foreclosing the Association's lien, the Association may not transfer ownership of the Padsite during the redemption period to a person other than a redeeming Owner.

Section 6.7. **Notice of Default.** If the Owner of a Padsite defaults in the Owner's obligations to the Association, the Association may notify other lienholders of the default and the Association's intent to foreclose its lien. The Association shall notify any holder of a recorded lien or duly perfected mechanic's lien against a Padsite which has given the Association a written request for notification of the Owner's default or the Association's intent to foreclose its lien.

Section 6.8. **Alternative Actions.** Nothing contained in this Declaration shall prohibit the Association from taking a deed in lieu of foreclosure or from filing suit to recover a money judgment for sums that may be secured by the lien.

ARTICLE VII

Loss and Obsolescence

Section 7.1. **Loss or Damage.** The following provisions shall govern in the event the Improvements, or any part hereof, are damaged or destroyed by fire or other casualty:

(a) Prompt written notice of any such substantial damage or destruction shall be given to all First Mortgagees.

(b) The Association shall promptly proceed with the full restoration and repair of such damage or destruction unless (i) the Condominium is terminated; (ii) repair or replacement would be illegal under any state or local health or safety statute or ordinance; or (iii) at least eighty percent (80%) of Owners vote not to rebuild.

(c) The amount by which such restoration and repair costs exceed collectible insurance proceeds shall constitute a Special Assessment payable by the Owners within thirty (30) days of the date notice of such Special Assessment is delivered by the Association.

(d) Any excess insurance proceeds remaining after such restoration and repair, or any insurance or sales proceeds available absent such restoration and repair, shall be received and held in trust by the Association in separate accounts for each Owner according to each Owner's individual interest in the General Common Elements as set forth in Exhibit "C", and applied, without contribution from one such account to another, as follows:

- (i) first, to the payment of any taxes and special assessments liens or other governmental impositions in favor of any assessing entity having authority with respect to such Owner's Padsite.
- (ii) second, to the payment of the balance of the First Lien Indebtedness of such Owner;
- (iii) third, to the payment of any delinquent Assessment with respect to such Owner's Unit; and
- (iv) the balance, if any, to such Owner or such other parties as shall be entitled thereto.

Section 7.2. **Matters Relating to Restoration and Repairs.** Any restoration and repair work undertaken by the Association pursuant to Section 7.1 shall be performed in a good and workmanlike manner with a view to restoring the Improvements to a condition similar to that existing prior to such damage or destruction; provided, however, that in no event shall the Association be responsible for restoring, repairing or replacing any improvements to a Padsite made by an Owner, or the contents located in such Owner's Padsite.

Section 7.3. **Obsolescence of Common Elements.** If the Owners holding not less than sixty-seven percent (67%) of the allocated votes shall vote, at a meeting of the Association duly called for purposes of considering same, that the Common Elements, or any part thereof, are obsolete the Association shall promptly proceed with the necessary replacements and improvements thereto pursuant to a budget established for such purpose, and the cost thereof shall be and constitute a Special Assessment payable by all Owners within thirty (30) days of the date notice of such Special Assessment is delivered to them by the Association.

Section 7.4. **Obsolescence of the Property.** If the Owners holding not less than eighty percent (80%) of the allocated votes shall determine, at a meeting of the Association duly called for purposes of considering same that the Property is obsolete, the Association, after first

obtaining the written consent of the First Mortgagees of the Padsites, shall promptly proceed with the sale thereof in its entirety.

Section 7.5. **Association as Attorney-in-Fact.** Each Owner, by acceptance or possession of title to a Padsite, hereby irrevocably makes, constitutes and appoints the Association, and each and every of its successors in interest hereunder, as Owner's true and lawful attorney-in-fact, for and in Owner's name, place and stead, upon the damage or destruction of the Property, or any part thereof, or upon any determination by the Owners made pursuant to this Article, to take any and all actions, and to execute and deliver any and all instruments, as the Board of Directors may, in its sole and absolute discretion, deem necessary or advisable to effect the intents and purposes of this Article VII, hereby giving and granting unto the Association full power and authority to do and perform all and every act whatsoever requisite or necessary to be done in and about the premises as fully, to all intents and purposes, as an Owner might or could do, hereby ratifying and confirming whatsoever the Association may do by virtue hereof The Association is hereby authorized, in the name and on behalf of all Owners, to do and perform all actions necessary or appropriate to effect the intent and purposes of this Article as aforesaid, including, without limitation, the power and authority to make and settle claims under any insurance policies maintained by the Association, contract for and with respect to restoration and repair work, contract for and with respect to replacements and improvements to the Common Elements to contract for and with respect to a sale of the Property and to execute and deliver all instruments necessary or incidental to any such actions.

ARTICLE VIII

Condemnation

Section 8.1. **General Provisions.** If all or any part of the Property is taken or threatened to be taken by eminent domain or by action in the nature of eminent domain (whether permanent or temporary) the Board of Directors and each Owner shall be entitled to participate in proceedings incident thereto at their respective expense. The Board of Directors shall give such notice as it receives of the existence of such proceedings to all Owners and to all First Lien Mortgagees which have requested such notice. The expense of participation in such proceedings by the Board of Directors shall be a Common Expense. The Board of Directors is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Board of Directors in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for any such taking shall be deposited with the Board of Directors, acting as trustee, and such damages or awards shall be applied or paid as provided hereinafter or in the Act. Any restoration or repair of the Property following a partial condemnation shall be performed in accordance with the provisions of this Declaration and shall follow, as nearly as possible, the original plans and specifications for the Property, unless otherwise approved by all First Mortgagees.

Section 8.2. **Taking of One Padsite.** In the event of any taking of an Owner's Padsite or a part thereof if an Owner shall vacate and abandon an Owner's Padsite by virtue of such taking, the Owner and any First Mortgagee of such Owner shall be entitled to an award for such including

the award for the value of such Owner's interest in the Common Elements, whether or not such Common Element interest is acquired, and, after payment thereof, such Owner and Owner's First Mortgagee shall be divested of all interest in the Property. If any repair or rebuilding of the remaining portions of the Property is required as a result of such taking, the remaining Owners shall determine by the affirmative vote or written consent of the remaining Owners owning a majority of interests in the Common Elements either to rebuild or repair the Property or to take such other action as such remaining Owners may deem appropriate. If no repair or rebuilding shall be required, or if none be undertaken, the remaining portion of the Property shall be resurveyed, if necessary, and the Declaration shall be amended to reflect such taking and to proportionately readjust the percentages of ownership of the remaining Owners based upon a continuing total ownership of the Property of one hundred percent (100%) and such amendment shall be duly recorded.

Section 8.3. **Taking of Common Elements.** If an action in eminent domain is brought to condemn a portion of the Common Elements together with or apart from and Padsite, the Board of Directors, in addition to the general powers set out herein, shall have the sole authority to determine whether to defend or resist any such proceeding, to make any settlement with respect thereto, or to convey such property to the condemning authority in lieu of such condemnation proceeding. With respect to any such taking of Common Elements only, all damages and awards shall be determined for such taking as a whole and not for any Owner's interest therein. After the damages or awards for such taking are determined, such damages or awards shall be held by the Board of Directors, acting as trustee for each Owner, or Owner's mortgagee or mortgagees, as their interests shall appear, in proportion to such Owner's percentage interest in the Common Elements, except that the portion of any such award attributable to the condemnation of a limited Common Element shall be allocated among the Owners of the Condominium Padsites served by such limited Common Elements, as such Owner's interest existed in the limited Common Elements condemned. The Board of Directors may, if it deems advisable, call a meeting of the Owners, at which meeting the Owners, by a majority vote, shall decide whether to replace or restore as a possible the Common Elements taken or damaged. In the event 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 attached hereto shall be duly amended by instrument executed by the Board of Directors on behalf of the Owners and duly recorded.

Section 8.4. **Taking of Several Padsites.** In the event that an eminent domain proceeding results in the taking of all or part of those Padsites comprising less than two-thirds (2/3) of the total number of Padsites in the Condominium, then the damage and awards for such taking shall be determined for each Padsite and the following shall apply:

- (a) The Board of Directors shall determine which of the Padsites damaged by such taking may be habitable for the purposes set forth in the Declaration, taking into account the nature of the Property and the reduced size of each Padsite so damaged.
- (b) The Board of Directors shall determine whether it is reasonably practicable to operate the remaining Padsites of the Property, including those damaged Padsites

which may be habitable, as a condominium project in the manner provided in this Declaration.

- (c) If the Board of Directors determines, with the consent of fifty-one percent (51%) of the First Mortgagees, that is not reasonably practicable to operate the undamaged Padsites and the damaged Padsites which can be habitable as a condominium project, then the Property shall be deemed to be regrouped and merged into a single estate owned jointly in the undivided interest by all Owners, as tenants-in-common, in the percentage interests previously owned by each Owner in the Common Elements.
- (d) If the Board of Directors determines that it will be reasonably practicable to operate the undamaged Padsites and the damaged Padsites which can be made habitable as a condominium project, then the damages and awards made with respect to each Padsite which reconstruct such Padsite so that it is made habitable. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed pro rata against the Owners of those Padsites which are being repaired or reconstructed so as to be made habitable. With respect to those Padsites which may not be made habitable, the award made with respect to each such Padsite shall be paid to the Owner of such Padsite or Owner's mortgagee or mortgagees, as their interests may appear, and the remaining portion of such Padsites, if any, shall become a part of the Common Elements and repair and use of such Padsites shall be determined by the Board of Directors. Upon the payment of such award for the account of such Owner as provided herein, such Padsite shall no longer be a part of the Property, and the percentage interest in the Common Elements appurtenant to each remaining Padsite which shall continue as part of the Property shall be equitably adjusted to distribute the ownership of the undivided interests in the Common Elements among the reduced number of Owners.
- (e) If the entire Property is taken or two-thirds (2/3) or more of the Padsites are taken or damaged by such taking, all damages and awards shall be held for the accounts of all Owners, and their mortgagees, as their interests shall appear, as provided herein, in proportion to their percentage interests in the Common Elements and this Condominium shall terminate upon such payment. Upon such termination, the Padsites and Common Elements shall be deemed to be regrouped and merged into a single estate owned in undivided interest by all Owners as tenants-in-common in the percentage interest previously owned by each Owner in the Common Elements.

Section 8.5. **Payment of Awards and Damages.** Any damages or awards provided in this Article to be paid to or for the account of any Owner by the Board of Directors, acting as trustee, shall be applied first to the payment of any taxes or assessments by governmental authorities past due and unpaid with respect to that Padsite; secondly, to amounts due under any mortgage instruments duly perfected; thirdly, to the payment of any Assessments charged to or

made against the Padsite and unpaid; and finally to the Owners.

ARTICLE IX

Use Of Padsites

Section 9.1. Uses Prohibited Absolutely.

(a) Non-Residential uses. Unless otherwise set forth in the Declaration, no Padsite shall be devoted to a use other than a residential use; (ii) no Padsite may contain more than one residential structure at any time which structure must be a residential structure, and may not constitute more than one primary housekeeping establishment and may be used as a residence at any one time by not more than one family.

(b) Exceptions. Nothing in the provisions of this Declaration shall be deemed in any way to prohibit (1) the use by the Declarant, its agents, employees, officers, contractors and invitees, of a Padsite as offices or as speculative or sample dwellings in connection with its development, construction, replacement, repair, maintenance, marketing, sale or leasing of any Padsite.

Section 9.2. RV Padsites. All RV Padsites are for the use of fully self-contained recreational vehicles.

(a) RV Padsite Owners, at their own expense, may extend the sizes of their driveways and patios, upon written approval from the Architectural Committee. The maximum concrete coverage shall be no more than 1200 sq.ft. Brick BBQs and other improvements may also be placed on the Padsite.

(b) No material structures shall be used for fences or walls on any Padsite. Fencing and walls shall be permitted with the use of landscaping only.

(c) No Structures, shall be erected or placed on any Padsite unless and until the Plans and specifications have been submitted to and approved by the Architectural Committee as set forth in this Declaration.

(d) Motor coaches must be minimum of twenty-two (22) feet in length; Fifth-wheel units and travel trailers must be a minimum of twenty-four (24) feet and all units, motor coaches, park models, fifth-wheel units and Travel trailers must be hooked up to utilities. Thereafter, with respect to any subsequent Padsites, all RV Padsites are restricted to use by as above stated.

(e) RVs must be modern, commercially manufactured and in excellent repair and must be placed on the Padsite's concrete pad. No RV over ten (10) years old may be placed on the Padsite without the prior written approval from the Architectural Committee. All RVs are subject to the approval of the Architectural Committee and may be inspected at any reasonable time. If it is determined by the Architectural Committee that the RV is in need of repair/replacement, the

Architectural Committee shall give written notice that said repair/replacement shall be performed and completed by Owner within thirty (30) days.

(f) Excluded from the Condominium, among others, are mobile homes (as defined by the Texas Department of Transportation, Bureau of Motor Vehicles), tents, truck campers, foldout campers, pop-up's and any RVs not equipped for full utility hookups to water, sewer and electrical systems.

Section 9.3. **Additional Rules and Regulations.** No storage of trailers, motor coaches, fifth wheels or mini-motor coaches is allowed on RV Padsites. Storage of boats, boat trailers, utility and automobile trailers is allowed on RV Padsites but must be on concrete and in good and working condition.

(a) Parking on a RV Padsite is restricted to currently licensed vehicles only and must be parked on the concrete pad or driveways. No parking will be permitted at any time on the roadway or any landscaped area. The parking and/or storage of bicycles, minibikes, mopeds and motorcycles may be restricted by the Regulations. Motorcycles, minibikes and mopeds may not be used on the Property in such a way as to create a nuisance or disturbance. In the event of a report abuse, the Association may prohibit the use of any such vehicle.

(b) One free standing storage building may be constructed on each RV Padsite. All required City building and windstorm permits as well as written approval from the Architectural Committee must be obtained prior to construction of said building. No metal finishes are allowed. No wooden exterior finishes are permitted. All storage buildings must be placed on a concrete pad and be constructed of Hardy Board or Vinyl Siding.

(c) Concrete picnic tables are recommended. Wooden picnic tables will be allowed. Any other types of patio furniture must be secured in such a fashion not to cause damage to other RV's or neighboring lots. RV's may have commercial manufactured, portable, removable, temporary screen rooms or awnings however, such accessories must be removed and stored if RV is left unoccupied 12 hours or longer.

(d) The exterior use and/or storage of refrigerators, freezers, LP gas bottles over forty (40) pounds, boats, boat equipment, trailer vehicle parts, or any other items not deemed compatible to the Padsites and surroundings are prohibited. This prohibition includes storage of any item of any type beneath the RV. Additionally, no part of the RV with attachments thereto and/or the transportation vehicle shall be parked so as to extend beyond any of the property or set backlines of the Padsite, tip out and pullouts included. Free-standing air conditioning, heating equipment, storage rooms, screen rooms or Florida rooms may not be installed on RV's.

(e) Utility easements shall be kept clean and unobstructed and be assessable at all times, for utility trucks and equipment whenever necessary. No trees shall be planted in the utility easements, however shrubs, flowers or grasses may be planted. Any improvements placed in the easement area by the Owner may be removed and replaced by the Association and/or any person or entity having any right, title or interest in the easement.

(f) All owners, guests and visitors must comply with City of Rockport evacuation regulations in the event of a hurricane warning. RV owners are responsible for arranging removal and the actual removal of their RV and belongings from the Padsite.

(g) No vehicle maintenance may be performed upon the Padsite or Common Elements.

(h) Additional landscaping is permitted and encouraged and shall be placed within the Property lines of each individual Padsite. All landscaping design must be submitted and have written approval by the Association prior to installation. All landscaping must be properly maintained by the Owner, be kept free of weeds, fertilized and in good living condition, otherwise the Association shall have the right to maintain or replace any landscaping as needed at the cost of the Owner at the then current prevailing rate.

(i) No clotheslines or mailboxes are permitted. Nothing in this paragraph, however, shall be construed so as to disallow the building of a perimeter fence by the Declarant, or privacy fences in recreation areas adjacent to Padsites.

(j) No outside radio/tv antennas, or any other type of electronic device for the transmission or reception of electronic signal shall be allowed without the prior approval of the Architectural Committee, except those commercially manufactured and installed as part of an RV. Satellite dishes are allowed

(k) All Site Owners using the Rental Pool shall be required to keep all their utilities operative year round. This requirement shall apply notwithstanding that the Padsite is not occupied. All Rentals shall be done through the Rental Pool. No private rentals allowed. The rental company shall be hired by the Board of Directors.

(l) All outdoor lighting and patio lights must be approved by the Association prior to installation. In the event the Association determines such lighting or patio lights to be a nuisance to adjoining Owners or unsightly or is not in keeping with the aesthetics of the surrounding area, the Association shall have the right to require that the Padsite Owner remove or modify such lighting.

(m) It shall be the responsibility of each Padsite Owner to maintain the condition of the Padsite and RV unit in a manner which shall enhance the beauty of the neighborhood as a whole or the specific area. Owners are responsible for their guests and invitees.

(n) Each household is limited solely dogs, cats, birds or fish. Any and all pets must have written approval from the Association. Pit Bulls, Dobermans, Rottweillers, Chows and Wolf hybrids are not allowed at any time with no exceptions. Pet owners must practice good pet control. Each pet must be registered with the Association on forms provided by the Declarant or Association. Each pet must be licensed and inoculated in accordance with applicable laws and rules. Each pet is to be kept within the Owner's Padsite except when the Owner has the pet on a leash and is walking the pet. Any pet unattended is a nuisance and may be impounded at the pet

owner's expense. Any excretion left by a pet outdoors must be picked up immediately and disposed of in a sanitary manner by the person walking the pet. Pets are not allowed in any Common Area building or any recreational area at any time, with the exception of seeing-eye dogs. A pet which causes any disturbance, annoyance or harm, such as barking, growling, howling, biting or any other undesirable noise which annoys or causes harm to a neighbor is a nuisance, subject to written complaint. If a resident files a written complaint with the Association that any of these pet rules have been violated, and the Association determines that a violation has or is occurring, the Board shall serve the Padsite Owner in writing to either correct the violation or to dispose of the pet. If, after a second written complaint, the Board determines that the violation is continuing or that there is another violation of the same nature, the pet will be deemed to have endangered the life, health, safety or well-being of residents and is forever barred from the Condominium. The Padsite Owner shall remove the pet from Condominium within seven (7) days.

(o) No signs of any kind shall be displayed without the written consent of the Association. This specifically includes 'For Sale,' 'For Rent,' and similar signs. This paragraph does not apply to the Declarant.

(p) No commercial activity of any kind whatsoever shall be conducted on or from any Padsite, other than as set forth in this Declaration.

(q) The period of time from 10:00 p.m. to 7:00 a.m. each day shall be observed as the quiet hours.

(r) The Common Elements are for the sole use of Owners and their guests. Hours of use and rules for use shall be posted.

(s) Alcoholic beverages are not permitted in the Common Elements, except for special events with the prior approval of the Association.

(t) Owners and guests must be registered upon arrival and departure for security control.

(u) Speed limits will be posted.

(v) No obnoxious or offensive activity shall be carried on upon any Padsite, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the neighbors.

(w) Discharge of air pistols, rifles, firearms or fireworks in the Property is prohibited.

(x) Garbage and trash must be placed in proper plastic trash bags, (no paper bags) and securely fastened. Designated time for the pickup will be specified by the Association.

(y) No portion of a Padsite, other than an entire Padsite, may be rented except through the Rental Pool. All Padsite Owners shall be jointly and severally liable for their respective

tenants to the Association for any amount required by the Association to effect such repairs or to pay any claim for injury or damage to property caused by the negligence of a tenant.

(z) The rights of access and use established with respect to Condominium shall be subject to security checks and restrictions. Security personnel shall have the right to stop and question persons and to require satisfactory evidence of any such person's right to be where such person is stopped. Persons not establishing that right to the satisfaction of the security personnel may be required to leave.

(aa) Time shares are prohibited.

(bb) The Declarant will undertake the work of constructing the Property. The completion of that work and the sale, rental and other disposal of Padsites is essential to the establishment and welfare of the Condominium. Therefore, the Declarant shall be exempt from such of the above restrictions in its use of the Property as is reasonably necessary or advisable to permit it to develop, rent or sell Padsites thereon, including the use of Padsites or the Common Elements for a rental office, sales models, entertainment, promotions, etc.

ARTICLE X

Development Period

Section 10.1. **Initial Directors.** The Board of Directors shall be initially established by Declarant as set forth in the Bylaws.

Section 10.2. **Period of Declarant Control.**

(a) Except as is provided hereinbelow, Declarant shall have the right to appoint and remove members of the Board of Directors during the period of Declarant Control. If Declarant voluntarily surrenders control prior to the termination of the period of Declarant Control, Declarant may require that specified actions of the Board of Directors be subject to Declarant approval until the expiration of the period of Declarant Control.

(b) Not later than one hundred twenty (120) days after Declarant has conveyed to Owners other than Declarant title to fifty percent (50%) of the Padsites in the Property, an election shall be held by the Association, pursuant to the Bylaws, for the election of not less than one-third (1/3) of the members of the Board of Directors.

ARTICLE XI

Miscellaneous

Section 11.1. **Revocation or Termination of Declaration.** This Declaration may be revoked or the Condominium established hereby may be terminated, but only by an instrument in writing, duly approved, executed and acknowledged by those Owners holding not less than

eighty percent (80%) of the votes allocated by this Declaration and not less than one hundred percent (100%) vote of the First Mortgagees. Any such instrument of revocation or termination shall be duly filed of record in the County. If the Property is to be sold upon termination, the agreement effecting such termination shall also set forth the terms of such sale and comply with the provisions of Section 82.068(c) of the Act. In the event this Declaration is revoked or the Condominium is terminated, then ownership of the OSSF System and the Common Elements in which it is located on shall automatically revert back to the Declarant, or its successors and assigns. Each Owner and First Mortgage of any Padsite, by acceptance of a deed or deed of trust thereof, whether or not it shall be so expressed in such deed, deed of trust or other conveyance, hereby expressly consents to such reversion.

Section 11.2. **Amendment to Declaration.** This Declaration may be amended at a meeting of the Owners at which the amendment is approved by those Owners holding not less than sixty-seven percent (67%) of the allocated votes and by the vote of not less than fifty-one percent (51%) of the First Mortgagees. Such amendment shall be evidenced by a written instrument executed and acknowledged by an officer of the Association on behalf of the consenting Owners and by the consenting First Mortgagees and filed of record in the County. Any such amendment so effected shall be binding upon all of the Owners, provided however that except as permitted or required by the Act, (i) no such amendment shall cause the alteration or destruction of a Padsite or of a Limited Common element unless such amendment has been consented to by the Owner and the First Mortgagee of the Padsite which is to be altered or destroyed or by the Owner and First Mortgagee of a Padsite to which the Limited Common Element that is to be altered or destroyed is appurtenant, (ii) create or increase Special Declarant Rights, (iii) increase the number of Padsites, (iv) change the boundaries of a Padsite (v) alter or destroy a Padsite or (vi) change the use restrictions on a Padsite unless such amendment has been consented to by one hundred percent (100%) of the votes of the Association. Notwithstanding the foregoing, no such amendment shall become effective unless approved by Declarant if Declarant still owns one or more Padsites and the amendment would, in Declarant's reasonable determination, (A) increase or otherwise modify Declarant's obligations; (B) reduce or modify any Special Declarant Rights; or (C) materially inhibit or delay Declarant's ability to complete the Improvements or to convey any portion of the Property owned by Declarant. Notwithstanding the foregoing, Declarant, if Declarant owns a Condominium Padsite which has never been occupied, or the Board of Directors, may, without a vote of the Owners or the First Mortgagees or approval of the Association amend the Declaration or the Bylaws in any manner necessary to meet the requirements of the Federal National Mortgage Association, the Federal National Home Loan Mortgage Corporation, the Federal Housing Administration or the Veterans Administration.

Section 11.3. **Partial Invalidity.** In the event any provisions of this Declaration, the Bylaws or the Regulations shall be determined by a court of competent jurisdiction to be invalid or unenforceable, such determination shall in no way impair or affect the validity or enforceability of the remainder of such instruments.

Section 11.4. **Conflicts.** In the event any of the provisions of this Declaration, the Bylaws or the Regulations shall be in conflict with the provisions of the Act or the Texas Non-Profit Corporation Act or the Texas Business Corporation Act, the provisions of such statutes

shall control. In the event that a conflict exists between the provisions of this Declaration and the Bylaws, the provisions of this Declaration shall control.

Section 11.5. **Captions and Exhibits.** Captions used in the various articles and sections of this Declaration are for convenience only, and they are not intended to modify or affect the meaning of any of the substantive provisions hereof. All exhibits are incorporated in and made a part of this Declaration.

Section 11.6. **Usury.** It is expressly stipulated that the terms of this Declaration and the Bylaws shall at all times comply with the usury laws of the State of Texas. If such laws are ever revised, repealed, or judicially interpreted so as to render usurious any amount called for hereunder or under the Bylaws or contracted for, charged or received in connection with any amounts due hereunder or under the Bylaws, or if the Association's exercise of any provisions hereof or of the Bylaws results in any party having paid any interest in excess of that permitted by applicable law, then it is the Association's and/or Declarant's express intent that all excess amounts theretofore collected by the Association be credited on the principal balance of any indebtedness (or, if the indebtedness has been paid in full, refunded to the payor), and the provisions of this Declaration and the Bylaws immediately be deemed reformed and the amounts thereafter collected be reduced, without the necessity of execution of any new document, so as to comply with then applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and there under.

Section 11.7. **Use of Number and Gender.** Whenever used herein, and unless the context shall otherwise provide, the singular number shall include the plural, the plural number shall include the singular, and the use of any gender shall include all genders.

Section 11.8. **Governing Law.** THIS DECLARATION AND THE BYLAWS, ARTICLES, AND RULES AND REGULATIONS SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS. VENUE FOR ANY ACTION BROUGHT IN CONNECTION WITH THE CONDOMINIUM SHALL BE IN ARANSAS COUNTY, TEXAS.

Section 11.9. **Notice To First Mortgagees.** The Association shall give all First Mortgagees fifteen (15) days' written notice of any proposed action which requires the consent of a specified percentage of First Mortgagees pursuant to his Declaration.

List of Exhibits:

Exhibit "A" .Legal Description of the Land

Exhibit "B" . Map

Exhibit "C" .Allocation of Ownership Interests

EXHIBIT "A" TO CONDOMINIUM DECLARATION

LEGAL DESCRIPTION OF THE LAND

Lot Two (2), Block Two Hundred Fifty-five (255), Foor and Swickheimer, Aransas County, Texas, according to the plat recorded in Volume 1, Page 28, Plat Records of Aransas County, Texas SAVE AND EXCEPT that property conveyed to the County of Aransas In Warranty Deed recorded in Volume 142, Page 282, Deed Records of Aransas County, Texas.

EXHIBIT "B" TO CONDOMINIUM DECLARATION

MAP

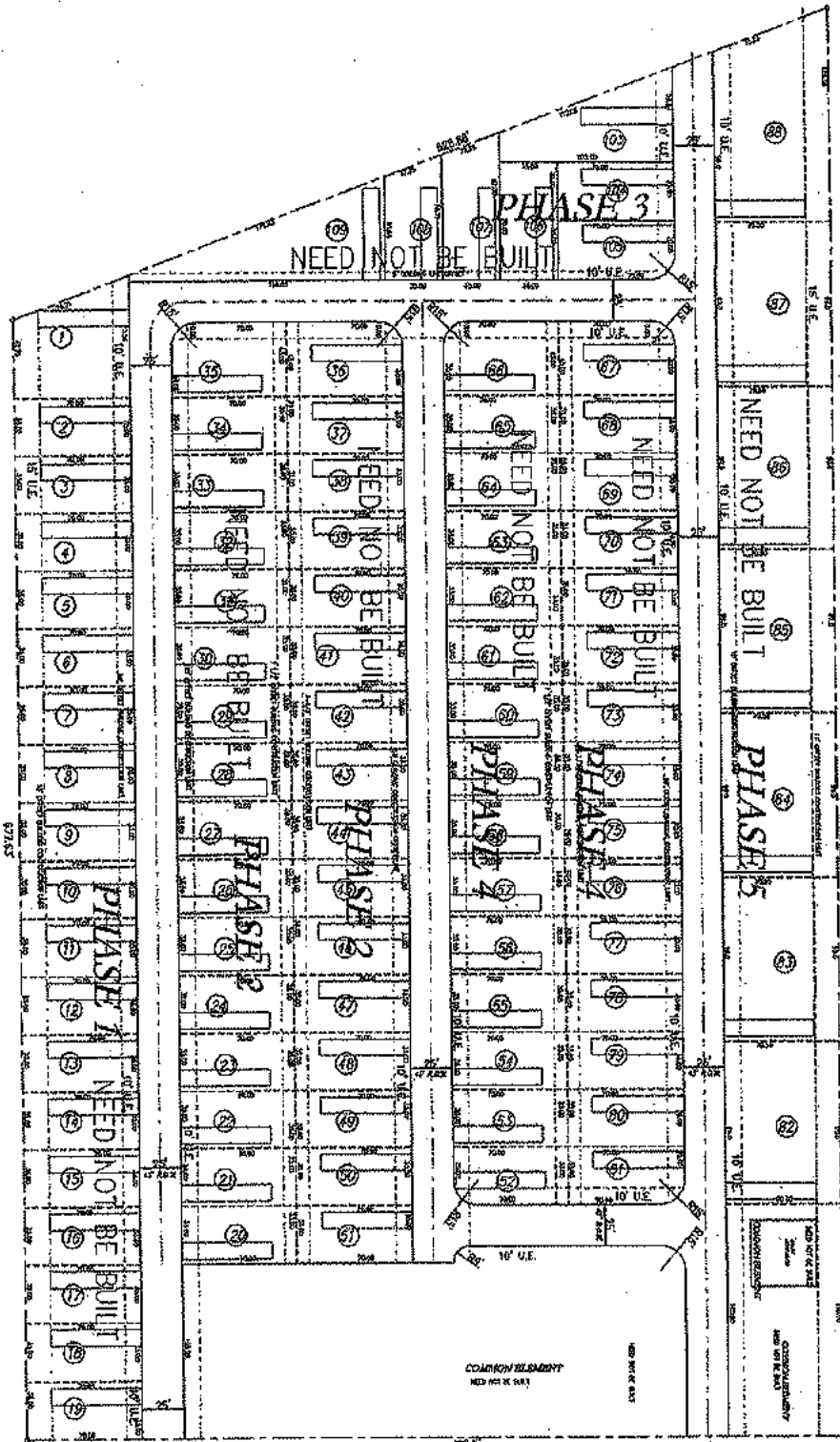
EXHIBIT "C" TO CONDOMINIUM DECLARATION

ALLOCATION OF OWNERSHIP INTERESTS

EXHIBIT "A" TO CONDOMINIUM DECLARATION

LEGAL DESCRIPTION OF THE LAND

Lot Two (2), Block Two Hundred Fifty-five (255), Foor and Swickheimer, Aransas County, Texas, according to the plat recorded in Volume 1, Page 28, Plat Records of Aransas County, Texas SAVE AND EXCEPT that property conveyed to the County of Aransas In Warranty Deed recorded in Volume 142, Page 282, Deed Records of Aransas County, Texas.



AREA USE PLAN
SCALE: 1" = 30'-0"

CONTRACT & RECORDS SET
POOL AND SPACIOUS
REVISIONS CONVEYANCE

CORPUS CHRISTI STREET
OF R.O.R.

EXHIBIT "B" TO CONDOMINIUM DECLARATION

C5

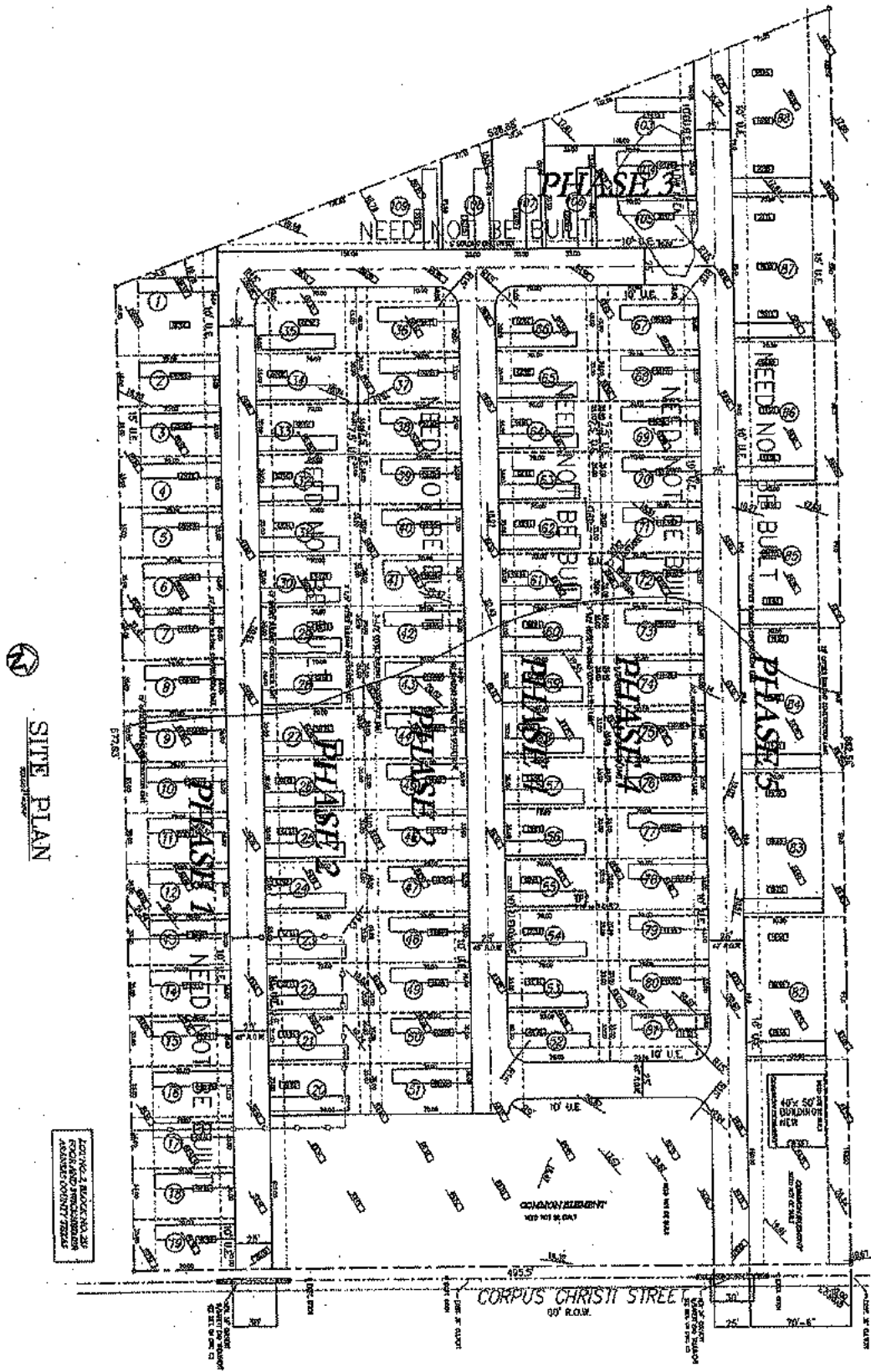
ROCKPORT OAKS RV PARK
CORPUS CHRISTI ST.
ROCKPORT, TEXAS

AREA USE PLAN
PLOT PLAN

RW STONE, ENGINEER, PLLC
2072 FM 2725
INGLESIDE, TX. 78662
(817) 758-0310

- REVISION
- SCALE FOR PLOT
- SCALE FOR RECORDS





SITE PLAN

LOCATIONS SHOWN ARE APPROXIMATE ONLY. FIELD SURVEY REQUIRED FOR ACCURATE LOCATIONS.

40' x 50' DIMENSION HERE

CORPUS CHRISTI STREET
100' R.O.W.

KEY TO GRADE SYMBOLS
 - FINISHED GRADE
 - EXISTING GRADE
 - PROPOSED GRADE
 - CONSTRUCTION ELEVATION

EXHIBIT "B" TO CONDOMINIUM DECLARATION

<p>C1</p>	<p>ROCKPORT OAKS RV PARK CORPUS CHRISTI ST. ROCKPORT, TEXAS</p>	<p>SITE PLAN GRADING PLAN</p>	<p>RW STONE, ENGINEER, PLLC 2072 FM 2725 INGLESIDE, TX. 78862 (951) 758-0910</p>	<p><input type="checkbox"/> FINISHED GRADE <input type="checkbox"/> EXISTING GRADE <input type="checkbox"/> PROPOSED GRADE <input type="checkbox"/> CONSTRUCTION ELEVATION</p>	
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EXHIBIT "C" TO CONDOMINIUM DECLARATION

ROCKPORT OAKS RV PARK / CONDOMINIUMS

Site Number	% of Ownership Interest In Common Element
1	1/95
2	1/95
3	1/95
4	1/95
5	1/95
6	1/95
7	1/95
8	1/95
9	1/95
10	1/95
11	1/95
12	1/95
13	1/95
14	1/95
15	1/95
16	1/95
17	1/95
18	1/95
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35	1/95
36	1/95
37	1/95
38	1/95
39	1/95
40	1/95
41	1/95
42	1/95
43	1/95
44	1/95
45	1/95
46	1/95
47	1/95
48	1/95

EXHIBIT "C" TO CONDOMINIUM DECLARATION

49	1/95
50	1/95
51	1/95
52	1/95
53	1/95
54	1/95
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57	1/95
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86	1/95
87	1/95
88	1/95
103	1/95
104	1/95
105	1/95
106	1/95
107	1/95
108	1/95
109	1/95