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**FIRST AMENDMENT TO  
MASTER CONDOMINIUM DECLARATION  
FOR  
THE SABINE MASTER CONDOMINIUM**

THIS FIRST AMENDMENT ("Amendment") is made this 30<sup>th</sup> day of December 2009, by The Sabine Master Condominium Association, Inc., a Texas non-profit corporation ("Master Association").

**RECITALS**

A. Sabine Residences, L.P., a California limited partnership ("Master Declarant"), previously created The Sabine Master Condominium, pursuant to that certain Master Condominium Declaration for The Sabine Master Condominium, recorded on April 30, 2007 in Instrument Number 2007076119 of the Official Public Records of Travis County, Texas (the "Master Declaration"), on the land described in Exhibit A attached hereto.

B. Pursuant to Section 17.1 of the Master Declaration, amendments to the Master Declaration must be approved at a meeting of the Owners at which the amendment is approved by Owners holding not less than 100% of the Allocated Interests and by the vote of not less than 51% of the Mortgagees.

C. The Owners holding 100% of the Allocated Interests are the members of the Master Association.

**AMENDMENT**

NOW, THEREFORE, the Master Declaration is hereby amended as set forth below:

1. Commercial Mechanical Items. The Sabine on Fifth Residential Condominium Association, Inc., a Texas non-profit corporation, will have no responsibility for the maintenance, repair, upkeep, removal, or demolition for the commercial mechanical items listed on Exhibit B attached hereto.

2. All terms used herein with initial capital letters and not otherwise defined shall have the meanings specified in the Master Declaration.

3. Except as expressly modified herein the Master Declaration remains unmodified and in full force and effect and the Master Association hereby ratifies the terms of the Master Declaration.

**[Signatures on following page.]**

IN WITNESS WHEREOF, the Master Association has caused this Amendment to be executed on the date first written above.

**MASTER ASSOCIATION:**

The Sabine Master Condominium Association, Inc.,  
a Texas non-profit corporation

By: Shanna Teague  
Name: Shanna Teague  
Title: Secretary / Treasurer

STATE OF TEXAS

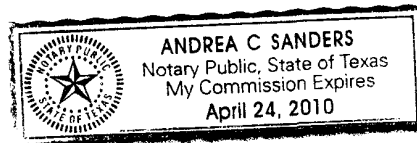
COUNTY OF

Texas

§  
§  
§

This instrument was acknowledged before me on this 30 day of Dec, 2009, by Shanna Teague, Sec/Treasurer of The Sabine Master Condominium Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

Andrea C. Sanders  
Notary Public, State of Texas



**CONSENT**

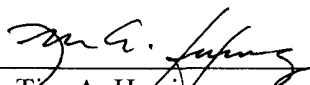
The undersigned, **COMPASS BANK**, an Alabama banking corporation ("Lender"), is the owner and holder of that certain Promissory Note (as may be amended or otherwise modified, is referred to herein as the "Note") dated January 22, 2007, payable to the order of Lender, in the original principal amount of \$16,388,000.00 which Note is secured, among other things, by that certain Deed of Trust (as may be amended or otherwise modified, the "Deed of Trust") dated of even date with the Note, to Lee Q. Vardaman, as trustee, for the benefit of Lender, recorded in the Real Property Records of Travis County, Texas, as Instrument No. 2007014694.

Effective as of the effective date of the Master Declaration Amendment (as hereinafter defined), Lender hereby consents to the filing of the foregoing First Amendment to Master Condominium Declaration for The Sabine Master Condominium (the "Master Declaration Amendment"), provided that (i) the Deed of Trust and the other loan documents related to the loan secured by the Deed of Trust (the "Loan Documents") shall at all times remain first in priority and superior to the Master Declaration Amendment and the consent described herein shall not in any way be deemed or construed as a subordination of Lender's rights under the Deed of Trust and the other Loan Documents to the Master Declaration Amendment.

EXECUTED effective as of the date first above written.

**LENDER:**

**COMPASS BANK,**  
an Alabama banking corporation

By:   
Name: Tim A. Harrigan  
Title: Senior Vice President

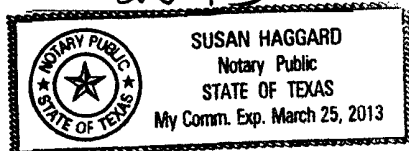
STATE OF TEXAS                   §  
   §  
COUNTY OF DALLAS           §

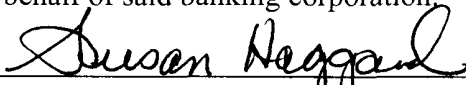
The foregoing instrument was ACKNOWLEDGED before me this 31 day of Dec, 2009, by Tim A. Harrigan, Senior Vice President of COMPASS BANK, an Alabama banking corporation, on behalf of said banking corporation.

[SEAL]

My Commission Expires:

3-25-13



  
Notary Public, State of Texas

Susan Haggard  
Printed Name of Notary Public

**EXHIBIT A**

**Legal Description**

[See attached legal description.]



**Exhibit "A"**  
Property Description

ALL THAT CERTAIN PARCEL OR TRACT OF LAND CONTAINING 0.3467 ACRE (15,103 SQUARE FEET) OUT OF THE ORIGINAL CITY OF AUSTIN IN TRAVIS COUNTY, TEXAS AS RECORDED ON A MAP OR PLAT ON FILE AT THE GENERAL LAND OFFICE AND THE STATE ARCHIVE OF THE STATE OF TEXAS, BEING ALL OF THAT CERTAIN LOT 1, IN BLOCK NO. 62 OF SAID ORIGINAL CITY OF AUSTIN, BEING ALL OF THAT CERTAIN LOT 2 OF THE AMENDED PLAT OF LOTS 2 AND 3, BLOCK NO. 62 OF THE ORIGINAL CITY OF AUSTIN, (A SUBDIASION RECORDED IN VOLUME 94, PAGES 236-238 OF THE PLAT RECORDS OF SAID COUNTY'), AND BEING A PORTION OF THAT CERTAIN VACATED 20 FOOT ALLEY (VACATED BY CITY ORDINANCE NO. 830526-J RECORDED IN VOLUME 8390, PAGE 78 OF SAID REAL PROPERTY RECORDS) BEING ALL OF THAT CERTAIN 14,514 SQUARE FOOT TRACT OF LAND DESCRIBED AS "TRACT ONE" AND ALL OF THAT CERTAIN 589 SQUARE FOOT TRACT OF LAND DESCRIBED AS "TRACT TWO" IN A WARRANTY DEED TO AUSTIN WALLER CREEK, LTD. RECORDED IN VOLUME 12366, PAGE 1620 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A BRASS DISK FOUND IN CONCRETE AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF A 80 FOOT WDE PUBLIC ROAD KNOWN AS EAST FIFTH STREET, BEING 40 FEET NORTH OF AND PARALLEL WTH THE CENTER LINE OF SAID EAST FIFTH STREET (AS DEFINED BY CITY ORDINANCE IN MINUTE BOOK 4, PAGE 508 ON FILE WTH THE CITY CLERK'S OFFICE) WITH THE EAST RIGHT-OF-WAY LINE OF AN 80 FOOT WDE PUBLIC ROAD KNOW AS SABINE STREET, AT THE SOUTHWEST CORNER OF SAID BLOCK NO. 62, BEING THE SOUTHWEST CORNER OF SAID LOT 1 BEING THE SOUTHWEST CORNER OF SAID 14,514 SQUARE FOOT TRACT FOR THE SOUTHWEST CORNER AND PLACE OF BEGINNING HEREOF;

THENCE WITH SAID EAST RIGHT-OF-WAY LINE OF SABINE STREET, BEING THE WEST LINE OF SAID LOT 1, NORTH 19 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 128.09 FEET TO A BRASS DISK FOUND AT THE INTERSECTION OF SAID EAST RIGHT-OF-WAY LINE WTH THE SOUTH LINE OF A 20 FOOT ALLEY, BEING THE NORTHWEST CORNER OF SAID LOT 1, BEING THE NORTHWEST CORNER OF SAID 14,514 SQUARE FOOT TRACT FOR THE NORTHWEST CORNER HEREOF;

THENCE WITH SAID SOUTH LINE, BEING THE NORTH LINE OF SAID LOT 1, SOUTH 71 DEGREES 03 MINUTES 57 SECONDS EAST, A DISTANCE OF 69.00 FEET TO THE NORTHEAST CORNER OF SAID LOT 1, BEING THE NORTHWEST CORNER OF SAID LOT 2, BEING THE SOUTHWEST CORNER OF SAID, 20 FOOT ALLEY (VACATED BY CITY ORDINANCE NO. 830526-J RECORDED IN VOLUME 8390, PAGE 78 OF SAID REAL PROPERTY RECORDS), BEING THE SOUTHWEST CORNER OF SAID 589 SQUARE FOOT TRACT FOR AN INTERIOR ELL CORNER HEREOF;

THENCE WITH THE WEST LINE OF SAID 20 FOOT ALLEY (VACATED BY CITY ORDINANCE NO. 830526-J RECORDED IN VOLUME 8390, PAGE 78 OF SAID REAL PROPERTY RECORDS) BEING THE WEST LINE OF SAID 589 SQUARE FOOT TRACT, NORTH 19 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 20.00 FEET TO A 1/2 IRON ROD FOUND IN A ROCK RETAINER WALL ON THE NORTH LINE OF SAID 20 FOOT ALLEY IN SAID BLOCK NO. 62, AT THE NORTHWEST CORNER OF SAID PORTION OF THE 20 FOOT ALLEY (VACATED BY CITY ORDINANCE NO. 830526-J RECORDED IN VOLUME 8390, PAGE 78 OF SAID REAL PROPERTY RECORDS), BEING THE NORTHWEST CORNER OF SAID 589 SQUARE FOOT TRACT, BEING THE SOUTHWEST CORNER OF THAT CERTAIN LOT 7 OF SAID BLOCK NO. 62, BEING THE SOUTHEAST CORNER OF THAT CERTAIN LOT 8 OF SAID BLOCK NO. 62, FOR THE NORTH CORNER HEREOF:

**Exhibit "A"**  
Property Description

THENCE WITH SAID NORTH LINE, BEING THE SOUTH LINE OF SAID LOT 7, SOUTH 71 DEGREES 03 MINUTES 57 SECONDS EAST, A DISTANCE OF 27.95 FEET TO A POINT IN THE APPROXIMATE CENTERLINE OF WALLER CREEK AT THE NORTHEAST CORNER OF SAID 589 SQUARE FOOT TRACT, BEING THE NORTHWEST CORNER OF THAT CERTAIN 1075 SQUARE FOOT TRACT OF LAND DESCRIBED IN "EXHIBIT A" OF A DEED WITHOUT WARRANTY TO WALLER HOTEL G.P., INC. RECORDED IN VOLUME 12365, PAGE 1704 OF THE DEED RECORDS OF SAID COUNTY, FOR THE NORTHEAST CORNER HEREOF;

THENCE WITH SAID CENTERLINE OF WALLER CREEK, SOUTH 09 DEGREES 57 MINUTES 56 SECONDS WEST, A DISTANCE OF 20.25 FEET TO A POINT ON THE SOUTH LINE OF SAID PORTION OF THE 20 FOOT ALLEY (VACATED BY CITY ORDINANCE NO. 830526--J RECORDED IN VOLUME 8390, PAGE 78 OF SAID REAL PROPERTY RECORDS), AT THE NORTHEAST CORNER OF SAID LOT 2, BEING THE NORTHWEST CORNER OF THAT CERTAIN LOT 3 OF SAID AMENDED PLAT, BEING THE SOUTHEAST CORNER OF SAID 589 SQUARE FOOT TRACT, BEING THE SOUTHWEST CORNER OF SAID 1075 SQUARE FOOT TRACT FOR AN ANGLE POINT HEREOF;

THENCE CONTINUING WITH SAID APPROXIMATE CENTERLINE OF WALLER CREEK, BEING THE EAST LINE OF LOT 2 OF SAID AMENDED PLAT, BEING THE WEST LINE OF LOT 3 OF SAID AMENDED PLAT SOUTH 07 DEGREES 16 MINUTES 11 SECONDS WEST, A DISTANCE OF 130.76 FEET TO A POINT IN SAID NORTH RIGHT-OF-WAY LINE OF EAST FIFTH STREET AT THE SOUTHEAST CORNER OF LOT 2 OF SAID AMENDED PLAT, BEING THE SOUTHWEST CORNER OF LOT 3, OF SAID AMENDED PLAT, FOR THE SOUTHEAST CORNER HEREOF, FROM WHICH THE SOUTHWEST CORNER OF THAT CERTAIN LOT 4 OF SAID BLOCK NO. 62 OF THE ORIGINAL CITY OF AUSTIN BEARS, SOUTH 71 DEGREES 04 MINUTES 45 SECONDS EAST, A DISTANCE OF 90.56 FEET;

THENCE WITH SAID NORTH RIGHT-OF-WAY LINE, NORTH 71 DEGREES 04 MINUTES 45 SECONDS WEST, A DISTANCE OF 57.62 FEET TO A 1/2 INCH DIAMETER IRON ROD FOUND AT THE SOUTHWEST CORNER OF SAID LOT 2, BEING THE SOUTHEAST CORNER OF SAID LOT 1;

THENCE CONTINUING WITH SAID NORTH RIGHT-OF-WAY LINE, NORTH 71 DEGREES 04 MINUTES 45 SECONDS WEST, A DISTANCE OF 69.00 FEET TO THE PLACE OF BEGINNING AND CONTAINING A CALCULATED AREA OF 15,103 SQUARE FEET OF LAND, MORE OR LESS.

## **EXHIBIT B**

### **Commercial Mechanical Items**

- 1) Building Chiller
- 2) Building Cooling Tower
- 3) Building Air Handlers
- 4) Building Water Pump in Basement
- 5) Exterior Windows on Floors 1 and 2 of the Building

**Recorders Memorandum**-At the time of recordation this instrument was found to be inadequate for the best reproduction, because of illegibility, carbon or photocopy, discolored paper, etc. All blockouts, additions and changes were present at the time the instrument was filed and recorded.

## **FILED AND RECORDED**

OFFICIAL PUBLIC RECORDS



2010 Jan 05 04:22 PM 2010001367

CLARKMM \$40.00

DANA DEBEAUVOIR COUNTY CLERK

TRAVIS COUNTY TEXAS

92186



CONDO DE 2010001368

7 PGS

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**FIRST AMENDMENT TO  
RESIDENTIAL CONDOMINIUM DECLARATION  
FOR  
THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM**

THIS FIRST AMENDMENT ("Amendment") is made this 30<sup>th</sup> day of December 2009, by The Sabine on Fifth Residential Condominium Association, Inc., a Texas non-profit corporation ("Residential Association").

**RECITALS**

A. Sabine Residences, L.P., a California limited partnership ("Residential Declarant") previously created The Sabine on Fifth Residential Condominium, pursuant to that certain Residential Condominium Declaration for The Sabine on Fifth Residential Condominium, recorded on April 30, 2007 in Instrument Number 2007076120 of the Official Public Records of Travis County, Texas (the "Residential Declaration"), on the land described in Exhibit A attached hereto.

B. Pursuant to Section 17.1 of the Residential Declaration, amendments to the Residential Declaration must be approved at a meeting of the Residence Owners at which the amendment is approved by Residence Owners holding not less than 67% of the Residential Allocated Interests and by the vote of not less than 51% of the Residential Mortgagees.

**AMENDMENT**

NOW, THEREFORE, the Residential Declaration is hereby amended as set forth below:

1. Commercial Mechanical Items. Pursuant to the First Amendment to Master Declaration for the Sabine Master Condominium, dated of even date herewith, the Residential Association will have no responsibility for the maintenance, repair, upkeep, removal, or demolition for the commercial mechanical items listed on Exhibit B attached hereto.

2. All terms used herein with initial capital letters and not otherwise defined shall have the meanings specified in the Residential Declaration.

3. Except as expressly modified herein the Residential Declaration remains unmodified and in full force and effect and the Residential Association hereby ratifies the terms of the Residential Declaration.

**[Signatures on following page.]**

IN WITNESS WHEREOF, the Residential Association has caused this Amendment to be executed on the date first written above.

**RESIDENTIAL ASSOCIATION:**

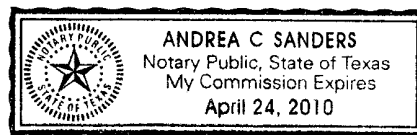
The Sabine on Fifth Residential Condominium Association, Inc.,  
a Texas non-profit corporation

By: Shanna League  
Name: Shanna League  
Title: Secretary / Treasurer

STATE OF TEXAS                   §  
  §  
COUNTY OF Texas           §

This instrument was acknowledged before me on this 30 day of Dec 2009, by Shanna League, Sec / Treas of The Sabine on Fifth Residential Condominium Association, Inc., a Texas non-profit corporation, on behalf of said corporation.

Andrea C. Sanders  
Notary Public, State of Texas



**CONSENT**

The undersigned, **COMPASS BANK**, an Alabama banking corporation ("Lender"), is the owner and holder of that certain Promissory Note (as may be amended or otherwise modified, is referred to herein as the "Note") dated January 22, 2007, payable to the order of Lender, in the original principal amount of \$16,388,000.00 which Note is secured, among other things, by that certain Deed of Trust (as may be amended or otherwise modified, the "Deed of Trust") dated of even date with the Note, to Lee Q. Vardaman, as trustee, for the benefit of Lender, recorded in the Real Property Records of Travis County, Texas, as Instrument No. 2007014694.

Effective as of the effective date of the Residential Declaration Amendment (as hereinafter defined), Lender hereby consents to the filing of the foregoing First Amendment to Residential Condominium Declaration for The Sabine on Fifth Residential Condominium (the "Residential Declaration Amendment"), provided that (i) the Deed of Trust and the other loan documents related to the loan secured by the Deed of Trust (the "Loan Documents") shall at all times remain first in priority and superior to the Residential Declaration Amendment and the consent described herein shall not in any way be deemed or construed as a subordination of Lender's rights under the Deed of Trust and the other Loan Documents to the Residential Declaration Amendment.

EXECUTED effective as of the date first above written.

**LENDER:**

**COMPASS BANK,**  
an Alabama banking corporation

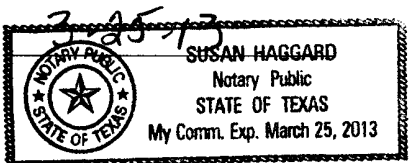
By: *Tim A. Harrigan*  
Name: Tim A. Harrigan  
Title: Senior Vice President

STATE OF TEXAS                   §  
   §  
COUNTY OF DALLAS           §

The foregoing instrument was ACKNOWLEDGED before me this 31 day of Dec, 2009, by Tim A. Harrigan, Senior Vice President of COMPASS BANK, an Alabama banking corporation, on behalf of said banking corporation

[ S E A L ]

My Commission Expires:



*Susan Haggard*  
Notary Public, State of Texas

Susan Haggard  
Printed Name of Notary Public

**EXHIBIT A**

**Legal Description**

[See attached legal description.]

**Exhibit "A"**  
**Property Description**

ALL THAT CERTAIN PARCEL OR TRACT OF LAND CONTAINING 0.3467 ACRE (15,103 SQUARE FEET) OUT OF THE ORIGINAL CITY OF AUSTIN IN TRAVIS COUNTY, TEXAS AS RECORDED ON A MAP OR PLAT ON FILE AT THE GENERAL LAND OFFICE AND THE STATE ARCHIVE OF THE STATE OF TEXAS, BEING ALL OF THAT CERTAIN LOT 1, IN BLOCK NO. 62 OF SAID ORIGINAL CITY OF AUSTIN, BEING ALL OF THAT CERTAIN LOT 2 OF THE AMENDED PLAT OF LOTS 2 AND 3, BLOCK NO. 62 OF THE ORIGINAL CITY OF AUSTIN, (A SUBDIASION RECORDED IN VOLUME 94, PAGES 236-238 OF THE PLAT RECORDS OF SAID COUNTY'), AND BEING A PORTION OF THAT CERTAIN VACATED 20 FOOT ALLEY (VACATED BY CITY ORDINANCE NO. 830526-J RECORDED IN VOLUME 8390, PAGE 78 OF SAID REAL PROPERTY RECORDS) BEING ALL OF THAT CERTAIN 14,514 SQUARE FOOT TRACT OF LAND DESCRIBED AS "TRACT ONE" AND ALL OF THAT CERTAIN 589 SQUARE FOOT TRACT OF LAND DESCRIBED AS "TRACT TWO" IN A WARRANTY DEED TO AUSTIN WALLER CREEK, LTD. RECORDED IN VOLUME 12366, PAGE 1620 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A BRASS DISK FOUND IN CONCRETE AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF A 80 FOOT WDE PUBLIC ROAD KNOWN AS EAST FIFTH STREET, BEING 40 FEET NORTH OF AND PARALLEL WTH THE CENTER LINE OF SAID EAST FIFTH STREET (AS DEFINED BY CITY ORDINANCE IN MINUTE BOOK 4, PAGE 508 ON FILE WTH THE CITY CLERK'S OFFICE) WITH THE EAST RIGHT-OF-WAY LINE OF AN 80 FOOT WDE PUBLIC ROAD KNOW AS SABINE STREET, AT THE SOUTHWEST CORNER OF SAID BLOCK NO. 62, BEING THE SOUTHWEST CORNER OF SAID LOT 1 BEING THE SOUTHWEST CORNER OF SAID 14,514 SQUARE FOOT TRACT FOR THE SOUTHWEST CORNER AND PLACE OF BEGINNING HEREOF;

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**The Piburn Company, LLC**

3445 Highland Rd. - Suite 205

Dallas, Texas 75228

ph: (214) 328-3500 fax: (469) 916-2475

email@metrosurveyor.com



**Exhibit "A"**  
Property Description

THENCE WITH SAID NORTH LINE, BEING THE SOUTH LINE OF SAID LOT 7, SOUTH 71 DEGREES 03 MINUTES 57 SECONDS EAST, A DISTANCE OF 27.95 FEET TO A POINT IN THE APPROXIMATE CENTERLINE OF WALLER CREEK AT THE NORTHEAST CORNER OF SAID 589 SQUARE FOOT TRACT, BEING THE NORTHWEST CORNER OF THAT CERTAIN 1075 SQUARE FOOT TRACT OF LAND DESCRIBED IN "EXHIBIT A" OF A DEED WITHOUT WARRANTY TO WALLER HOTEL G.P., INC. RECORDED IN VOLUME 12365, PAGE 1704 OF THE DEED RECORDS OF SAID COUNTY, FOR THE NORTHEAST CORNER HEREOF;

THENCE WITH SAID CENTERLINE OF WALLER CREEK, SOUTH 09 DEGREES 57 MINUTES 56 SECONDS WEST, A DISTANCE OF 20.25 FEET TO A POINT ON THE SOUTH LINE OF SAID PORTION OF THE 20 FOOT ALLEY (VACATED BY CITY ORDINANCE NO. 830526--J RECORDED IN VOLUME 8390, PAGE 78 OF SAID REAL PROPERTY RECORDS), AT THE NORTHEAST CORNER OF SAID LOT 2, BEING THE NORTHWEST CORNER OF THAT CERTAIN LOT 3 OF SAID AMENDED PLAT, BEING THE SOUTHEAST CORNER OF SAID 589 SQUARE FOOT TRACT, BEING THE SOUTHWEST CORNER OF SAID 1075 SQUARE FOOT TRACT FOR AN ANGLE POINT HEREOF;

THENCE CONTINUING WITH SAID APPROXIMATE CENTERLINE OF WALLER CREEK, BEING THE EAST LINE OF LOT 2 OF SAID AMENDED PLAT, BEING THE WEST LINE OF LOT 3 OF SAID AMENDED PLAT SOUTH 07 DEGREES 16 MINUTES 11 SECONDS WEST, A DISTANCE OF 130.76 FEET TO A POINT IN SAID NORTH RIGHT-OF-WAY LINE OF EAST FIFTH STREET AT THE SOUTHEAST CORNER OF LOT 2 OF SAID AMENDED PLAT, BEING THE SOUTHWEST CORNER OF LOT 3, OF SAID AMENDED PLAT, FOR THE SOUTHEAST CORNER HEREOF, FROM WHICH THE SOUTHWEST CORNER OF THAT CERTAIN LOT 4 OF SAID BLOCK NO. 62 OF THE ORIGINAL CITY OF AUSTIN BEARS, SOUTH 71 DEGREES 04 MINUTES 45 SECONDS EAST, A DISTANCE OF 90.56 FEET;

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## **EXHIBIT B**

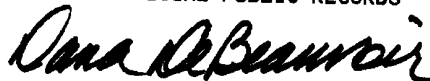
### **Commercial Mechanical Items**

- 1) Building Chiller
- 2) Building Cooling Tower
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## **FILED AND RECORDED**

OFFICIAL PUBLIC RECORDS



2010 Jan 05 04:22 PM 2010001368

CLARKMM \$40.00

DANA DEBEAUVOIR COUNTY CLERK

TRAVIS COUNTY TEXAS

STATE OF TEXAS       §  
COUNTY OF TRAVIS   §

**Recordation of Bylaws:**  
**The Sabine Master Condominium Association, Inc.**

The Master Condominium Declaration for The Sabine Master Condominium was recorded in Document No. 2007076119 of the Official Public Records of Travis County Texas, and amended by the First Amendment filed of record in Document No, 2010001367 (together with all amendments, the "Declaration"). The Declaration references a condominium owners association, The Sabine Master Condominium Association, Inc. (the "Association"). The Association has previously adopted bylaws. The Board of the Association hereby files of record the previously-adopted Bylaws of the Association as Exhibit "A" hereto.

**The Sabine Master Condominium Association, Inc.**

By: Niemann & Heyer LLP, attorneys and  
authorized agents

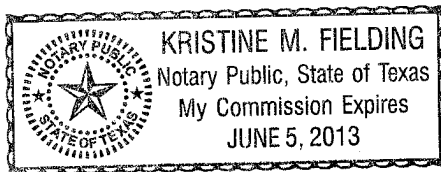
By: \_\_\_\_\_

Connie N. Heyer

Exhibit "A": Bylaws

STATE OF TEXAS  
COUNTY OF TRAVIS

This instrument was acknowledged before me by Connie Heyer on  
March 22, 2010.



Kristine Fielding  
Notary Public for the State of Texas  
Printed name of notary Kristine Fielding  
My commission expires 6/5/2013

Fileserver:CLIENTS:SabineOn5th(Master):RecordBylaws3.15.10

After recording, please return to:  
Niemann & Heyer, L.L.P.  
Attorneys at Law  
1122 Colorado St., Suite 313  
Austin, Texas 78701

**Exhibit "A"**

**BYLAWS  
OF  
THE SABINE MASTER CONDOMINIUM ASSOCIATION, INC.**

## TABLE OF CONTENTS

ARTICLE I	Name and Address.....	1
Section 1.1	Name .....	1
Section 1.2	Address.....	1
Section 1.3	Registered Agent.....	1
ARTICLE II	Applicability.....	1
ARTICLE III	Purpose.....	1
ARTICLE IV	Definitions and Interpretation .....	1
Section 4.1	Definitions.....	1
Section 4.2	Interpretation .....	4
ARTICLE V	Member .....	4
Section 5.1	Membership.....	4
Section 5.2	Affirmative Vote .....	4
Section 5.3	Membership List .....	5
Section 5.4	Proxies .....	5
Section 5.5	Member in Good Standing .....	5
ARTICLE VI	Meetings of the Members of the Master Association.....	6
Section 6.1	Place of Annual and Special Meetings.....	6
Section 6.2	Date of Annual Meetings .....	6
Section 6.3	Notice of Annual Meetings .....	6
Section 6.4	Special Meeting.....	6
Section 6.5	Notice of Special Meetings .....	6
Section 6.6	Member Quorum .....	6
Section 6.7	Agenda .....	6
Section 6.8	Action Without Meeting by Written Ballot.....	6
Section 6.9	Administration of Affairs .....	7
ARTICLE VII	Board of Directors .....	7
Section 7.1	Authority; Number of Directors .....	7
Section 7.2	Term of Directors and Compensation .....	7
Section 7.3	Vacancies on the Board of Directors.....	7
Section 7.4	Removal of Directors by Members .....	7
Section 7.5	Organizational Meeting of the Board of Directors .....	7
Section 7.6	Place of Meetings .....	8
Section 7.7	Regular Board of Directors Meetings.....	8
Section 7.8	Special Meetings of the Board of Directors .....	8
Section 7.9	Waiver of Notice .....	8
Section 7.10	Directors Quorum.....	8
Section 7.11	Consent in Writing .....	8
Section 7.12	Records.....	9
Section 7.13	Powers and Duties .....	9
Section 7.14	Liability; Conduct of Directors and Officers.....	11
Section 7.15	Annual Budget and Assessments .....	12
Section 7.16	Management Certificate .....	12
Section 7.17	Manager.....	12

Section 7.18	Open Meeting .....	12
ARTICLE VIII Officers .....		13
Section 8.1	Officers .....	13
Section 8.2	Election .....	13
Section 8.3	Vacancies .....	13
Section 8.4	President .....	13
Section 8.5	Vice President .....	13
Section 8.6	Secretary .....	13
Section 8.7	Treasurer .....	14
Section 8.8	Compensation .....	14
ARTICLE IX Indemnification of Directors, Officers and Other Authorized Representatives .....		14
Section 9.1	General Indemnification .....	14
Section 9.2	Personal Interest or Liability .....	14
Section 9.3	Final Judgment Required .....	15
Section 9.4	Limited Indemnification .....	15
Section 9.5	Determination of Indemnification .....	15
Section 9.6	Authorization and Determination of Reasonableness of Expenses .....	15
Section 9.7	Success in a Proceeding .....	15
Section 9.8	Court Determination of Indemnification .....	15
Section 9.9	Advancing Director Expenses .....	16
Section 9.10	Repayment of Expenses by Director .....	16
Section 9.11	Witness Expenses .....	16
Section 9.12	Officer Indemnification .....	16
Section 9.13	Indemnification of Others .....	16
Section 9.14	Advancing Expenses for Others .....	16
Section 9.15	Insurance Authorized .....	17
Section 9.16	Indemnification Prohibited by the Master Declaration .....	17
ARTICLE X Master Association Books and Records .....		17
ARTICLE XI Dissolution and Termination .....		18
ARTICLE XII Miscellaneous .....		18
Section 12.1	Fiscal Year .....	18
Section 12.2	Amendments to Bylaws .....	18
Section 12.3	Inspection of Bylaws .....	18
Section 12.4	Membership Minutes .....	18
Section 12.5	Construction .....	18

# THE SABINE MASTER CONDOMINIUM ASSOCIATION, INC.

## BYLAWS

### ARTICLE I

#### Name and Address

**Section 1.1 Name.** The name of this master association shall be The Sabine Master Condominium Association, Inc. (the "*Master Association*").

**Section 1.2 Address.** The office of the Master Association shall be at the place to be designated by the Board of Directors, subject to change upon notice to the Members.

**Section 1.3 Registered Agent.** The Master Association shall have and continuously maintain in the State of Texas a registered agent whose office is identical with such registered office, as required by the Texas Business Organizations Code. The registered office may be, but need not be, identical to the principal office in the State of Texas, and the registered office may be changed from time to time by the Board of Directors.

### ARTICLE II

#### Applicability

These Bylaws shall be applicable to the Master Association. In accordance with the terms of the Master Declaration, all Members and any other Persons permitted to use the Master Common Elements shall be subject to these Bylaws, the Regulations and to any other rules and regulations adopted from time to time by the Board of Directors. Ownership of any Master Unit or Sub-Unit, or rental or occupancy of any portion of a Master Unit or of a Sub-Unit, shall be conclusively deemed to mean that the Sub-Unit Owner, Tenant or occupant has accepted, ratified and will comply with the Governing Documents.

### ARTICLE III

#### Purpose

The purpose of the Master Association is to manage, or cause the management of the Master Condominium, to protect and enhance the value of the Property, including, without limitation, providing for the management, maintenance, repair and replacement of the Master Common Elements. The Master Association does not contemplate pecuniary gain or profit to its Members as a result of membership in the Master Association.

### ARTICLE IV

#### Definitions and Interpretation

**Section 4.1 Definitions.** The following terms shall have the meanings set forth below. Any capitalized terms not expressly defined herein shall have the same meaning as defined in the Master Declaration.

**"Act".** The Uniform Condominium Act, Texas Property Code, Chapter 82, Section 82.001 et seq., as amended from time to time.

**"Board of Directors".** Those individuals serving as Directors pursuant to Article VII of these Bylaws and their successors as duly elected and qualified from time to time.

**"Code"**. The Internal Revenue Code of 1986, as amended.

**"County"**. Travis County, Texas.

**"Director"**. A member of the Board of Directors, and for the purposes of Article IX of these Bylaws, any individual who is or was a director of the Master Association and any individual who, while a director of the Master Association, is or was serving at the request of the Master Association as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic association, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise.

**"GAAP"**. Generally accepted accounting principles, as promulgated by the Financial Accounting Standards Board.

**"Lien Indebtedness"**. Any bona fide indebtedness which is the result of an arm's length negotiation that is secured by a first lien or encumbrance upon the Property and/or a Unit; and which shall include, with respect to the Sub-Units within the Residential Unit only, subordinate financing in connection with a purchase or refinancing of such Sub-Unit or home equity loan or reverse mortgage loan secured by such Sub-Unit, and such other indebtedness with respect to the Sub-Units of the Residential Unit as is approved by the Residential Sub-Unit Condominium Association as Lien Indebtedness.

**"Manager"**. Any experienced and professional manager or management company with whom the Master Association contracts for the day-to-day management of the Property and/or the administration of the Master Association and the Master Condominium.

**"Master Association"**. The Sabine Master Condominium Association, Inc., a Texas non-profit corporation for the purposes of Section 9.1 of these Bylaws, including any domestic or foreign successor entity of the Master Association in a merger, consolidation, or other transaction in which the liabilities of the predecessor are transferred to the Master Association by operation of law and in any other transaction in which the Master Association assumes the liabilities of the predecessor but does not specifically exclude liabilities that are the subject matter of Article IX of these Bylaws.

**"Master Condominium"**. The Sabine Master Condominium formed pursuant to the Master Declaration.

**"Master Declarant"**. Sabine Residences, L.P., a Texas limited partnership and its successors and assigns.

**"Master Declaration"**. The Master Condominium Declaration for The Sabine Master Condominium, and all recorded amendments thereto, which shall be recorded in the real property records of the County.

**"Member(s)"**. Each Owner and Master Declarant (while Master Declarant owns any Master Unit).

**"Member in Good Standing"**. Has the meaning set forth in Section 5.5 of the Bylaws.

**"Minute Book"**. The minute book of the Master Association, which shall contain the minutes of all annual and special meetings of the Members of the Master Association and the Board of Directors and all resolutions of the Board of Directors.



**"Mortgagee"**. Any Person which is the holder, insurer or guarantor of Lien Indebtedness which has provided the Master Association with written notice of its name, address and the description of the Master Unit on which it holds the Lien Indebtedness.

**"Official Capacity"**. (i) when used with respect to a Director, the office of director in the Master Association, and (ii) when used with respect to a individual other than a Director, the elective or appointive office in the Master Association held by the officer or the employment or agency relationship undertaken by the employee or agent on behalf of the Master Association, but (iii) both (i) and (ii) above do not include service for any other foreign or domestic association or any partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise.

**"Owner"**. Any Person (including Master Declarant) owning fee title to a Master Unit, but excluding (a) any Person having an interest in a Master Unit solely as security for an obligation, or (b) a Sub-Unit Owner.

**"Person"**. Any individual, corporation, partnership, limited partnership, limited liability company, joint venture, estate, trust, unincorporated association, any other legal entity, including any Governmental Authority and any fiduciary acting in such capacity on behalf of any of the foregoing.

**"President"**. The officer of the Master Association having the duties described in Section 8.4 of these Bylaws.

**"Proceeding"**. Any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitative or investigative, any appeal in such an action, suit, or proceeding and any inquiry or investigation that could lead to such an action, suit or proceeding.

**"Regulations"**. The rules and regulations of the Master Association initially adopted by the Board of Directors and as amended from time to time relating to the appearance, use, and occupancy of the Master Units and certain construction on the Property.

**"Reserve Fund"**. fund to be maintained by the Master Association to meet unforeseen expenditures of the Master Association, to purchase any additional equipment or services deemed necessary by the Master Association for operation of the Condominium, or for any other purpose deemed necessary by the Master Association, subject to the provisions of the Master Declaration.

**"Secretary"**. The officer of the Master Association having the duties described in Section 8.6 of these Bylaws.

**"Sub-Unit"**. A portion of any Unit designated for separate ownership as created and identified in a Sub-Unit Declaration for a Sub-Unit Condominium executed by the Sub-Unit Owner of such Unit and recorded in the real property records of the County.

**"Sub-Unit Condominium"**. A condominium regime which may be formed by a Sub-Unit Owner, pursuant to a Sub-Unit Declaration, the name of which is to be determined by the Sub-Unit Owner prior to conveying or leasing the first Sub-Unit, and which may designate a Sub-Unit Condominium Association to act on behalf of all Sub-Unit Owners.

**"Sub-Unit Condominium Association"**. A Texas non-profit corporation created as a part of a Sub-Unit Condominium to act on behalf of the Sub-Unit Owners.

**"Sub-Unit Declaration".** A condominium declaration, and all recorded amendments thereto, executed by a Sub-Unit Owner for the purpose of forming a Sub-Unit Condominium, which is recorded in the real property records of the County.

**"Sub-Unit Owner".** Any Person who holds fee simple title to a Sub-Unit including an undivided interest in the common elements of a Sub-Unit Condominium, but excluding a Person having an interest in a Sub-Unit solely as security for an obligation.

**"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, and audio and video signals.

**"Treasurer".** The officer of the Master Association having the duties described in Section 8.7 of these Bylaws.

**"Vice President".** The officer of the Master Association having the duties described in Section 8.5 of these Bylaws.

**Section 4.2 Interpretation.** In the event of a conflict of interpretation between the provisions set forth in these Bylaws and the Master Declaration, the Master Declaration shall govern. If the Code is hereafter amended or changed, both the Master Declaration and these Bylaws shall be interpreted in a manner which conforms to the provisions of the Code with respect to nonprofit entities, it being the intention to preserve the status of the Master Association as a bona fide nonprofit entity.

## ARTICLE V Member

### Section 5.1 Membership.

(a) Each Owner shall automatically be a Member of the Master Association. The classes of the Members and the voting rights and procedures are set forth in the Master Declaration.

(b) In cases where more than one Person owns an interest in a Master Unit, all such Persons shall arrange among themselves for one of their number to exercise the voting rights herein established. At such time as a Sub-Unit Condominium may be created in a Master Unit, the Sub-Unit Condominium Association shall possess the vote with respect to the applicable Master Unit. In no event shall there be more than one vote for any Master Unit. If only one of the Persons is present at a meeting of the Members of the Master Association, that Person may cast that Master Unit's vote. If more than one of the Persons is present and after one Person casts the vote, another Person present makes prompt protest to the Person presiding over the meeting, such vote shall not be counted unless such Persons can unanimously agree on such vote by the end of the meeting. Each Person owning a portion of the fee interest in a Master Unit may vote or register protest to the casting of votes by the other Persons owning portions of the fee interest in the same Master Unit through a proxy duly executed by such Member. A Member may not revoke a proxy except by giving actual written notice of revocation to the Person presiding over the meeting.

**Section 5.2 Affirmative Vote.** Except as otherwise provided herein or in the Master Declaration, the Members in Good Standing shall be entitled to vote upon any decision or resolution and the majority of votes entitled to be cast by Members in Good Standing shall be the act of the Members and shall determine the passage of any decision or resolution. A vote may be cast either in person or by

proxy, by Members in Good Standing. Notice and quorum requirements shall be as set forth herein. Cumulative voting shall not be permitted.

**Section 5.3 Membership List.** The Secretary shall be responsible for maintaining, at the principal office of the Master Association, an updated list of Members and their last known addresses as provided by each Member in such form and containing such other information as required by the TBOC. The list shall also show opposite each Member's name the address of the Master Unit(s) owned and the interest allocated to such Master Unit pursuant to the Master Declaration. The list shall be revised by the Secretary to reflect changes in the ownership of the Master Units occurring prior to the date of the annual or special meeting. The list shall be open to inspection by all Members and other Persons lawfully entitled to inspect the list during regular business hours up to the date of the annual or special meeting. The Secretary shall also keep current and retain custody of the Minute Book. Membership of a Member in the Master Association shall automatically terminate when such Member ceases to be an Owner; provided, however, that such termination shall not release or relieve such Member from any liability or obligation under the Master Declaration that was incurred during such Member's period of ownership of a Unit.

**Section 5.4 Proxies.** Votes may be cast by written proxy or by ballot. Written proxies may be submitted by United States mail, delivered to the office of the Master Association, delivered directly to the Secretary or delivered in such other manner as directed by the Master Association. A proxy vote shall be defined as a written vote submitted by a Member which either states the specific vote of the Member with respect to the issues, resolutions or election being voted on by the Members at the annual or special meeting or which is written permission for the Board of Directors or a specific Director to exercise the Member's vote(s) as the Board of Directors or the specific Director sees fit. A proxy shall be valid for the meeting specified in the proxy or any valid continuation of such meeting. Each proxy shall be revocable unless otherwise expressly provided therein to be irrevocable. No proxy will be valid after 11 months from the date of its execution unless otherwise provided therein.

**Section 5.5 Member in Good Standing.** A Member will be considered a "*Member in Good Standing*" and eligible to vote if such Member:

(a) has, at least 10 days prior to the taking of any vote by the Master Association, fully paid all Assessments or other Charges that are due and payable;

(b) does not have any notice of unpaid Assessments that has been filed by the Master Association against the Master Unit owned by such Member; and

(c) has discharged all other obligations to the Master Association as may be required of a Member, as an Owner of a Master Unit under the Governing Documents.

The Board of Directors will have sole authority for determining the good standing status of any Member and shall make such determination prior to a vote being taken by the Master Association on any matter. The Board of Directors shall have the right and authority, in its sole discretion, to waive the requirement set forth in subsections (a), (b) and (c) of this Section 5.5, and as to subsection (a) of this Section 5.5, require only that such payment be made at any time before such vote is taken if the Board of Directors shall determine, in the Board of Director's judgment, that extenuating circumstances exist which have prevented prior payment. Any Member not conforming with the provisions of this Section 5.5 shall be declared by the Board of Directors not to be a member in Good Standing and shall not be entitled to vote on matters before the Association until such time as a Member in Good Standing status is attained and so declared by the Board of Directors.

**ARTICLE VI**  
**Meetings of the Members of the Master Association**

**Section 6.1 Place of Annual and Special Meetings.** All annual and special meetings of the Members of the Master Association shall be held at the principal office of the Master Association or at another suitable and convenient place permitted by law and fixed by the Board of Directors from time to time and designated in the notices of the meetings.

**Section 6.2 Date of Annual Meetings.** The first annual meeting of the Members of the Master Association shall be held within one year of its formation. Thereafter, annual meetings of the Members of the Master Association shall be held in January of each year on a date as shall be fixed by the Board of Directors by written notice to the Members. The Members may transact any business that may properly come before the meeting.

**Section 6.3 Notice of Annual Meetings.** The Secretary shall mail notices of annual meetings to each Member directed to the most recent post office address provided to the Master Association by such Member, as shown on the records of the Master Association, by regular mail, postage prepaid. This notice shall be mailed not less than ten (10) or more than sixty (60) days before the date of the meeting and shall state the date, time and place of the meeting, the purpose or purposes thereof and the items on the agenda, including the specific nature of any proposed amendment or change to the Governing Documents.

**Section 6.4 Special Meeting.** A special meeting of the Members of the Master Association may be called by the President, a majority of the Directors, or upon presentation to the Secretary of a petition stating the specific purpose of the special meeting, which petition has been signed by one Member.

**Section 6.5 Notice of Special Meetings.** The Secretary shall mail notice of any special meeting of the Members of the Master Association to each Member in the manner provided in Section 6.3 of these Bylaws. The notice shall state the same items required by Section 6.3 of these Bylaws for notices of annual meetings. No business shall be transacted at any special meeting except as stated in the notice thereof.

**Section 6.6 Member Quorum.** Members in Good Standing holding 100% of the aggregate votes entitled to be cast by the Members, represented at a meeting of the Members in person or by a legitimate proxy in a form approved by the Board of Directors, shall constitute a quorum for voting on matters brought before the Members at meetings called by the Board of Directors or special meetings. If any Member fails to attend a properly-noticed meeting and thereby prevents the assembly of a quorum, the subject matter of the meeting shall constitute a Dispute which shall be settled in accordance with Article XV of the Master Declaration.

**Section 6.7 Agenda.** The agenda at all meetings of the Members of the Master Association shall include: (a) roll call; (b) proof of notice of meeting or waiver of notice; (c) approval of the minutes of the preceding meeting; (d) reports of officers and committees; (e) election of Directors, if applicable; (f) unfinished business; (g) new business; (h) adjournment.

**Section 6.8 Action Without Meeting by Written Ballot.** Any action which may be taken by the vote of the Members at a regular or special meeting, may be taken without a meeting if done in compliance with relevant provisions of the Texas Business Organizations Code. If an action is taken without a meeting, the Board of Directors shall distribute a written ballot to every Member entitled to vote on the matter. The ballot shall set forth the proposed action, provide an opportunity to specify approval or

disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Master Association. Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the proposal at a regular or special meeting authorizing the action.

**Section 6.9 Administration of Affairs.** Subject to the provisions of the Governing Documents, the Board of Directors shall govern the Master Association.

## **ARTICLE VII Board of Directors**

### **Section 7.1 Authority; Number of Directors.**

(a) Except as otherwise provided in the Governing Documents, the affairs of the Master Association shall be governed by the Board of Directors. The Board of Directors shall consist of at least three (3) individuals who need not be Members. The initial Directors shall be those Directors named in the Certificate of Formation. The initial Directors shall serve until their successors are elected and qualified.

(b) The Residential Unit Owner shall elect two duly authorized agents or representatives as Directors on the Board of Directors, and the Commercial Unit Owner shall elect one duly authorized agent or representative as a Director on the Board of Directors. If any Unit is subdivided, the Sub-Unit Condominium Association, if such an association is created, shall elect the Unit's Director(s). If a Sub-Unit Condominium Association is not created, the Sub-Unit Owners shall determine the person(s) to serve as Director(s) on behalf of that Unit.

**Section 7.2 Term of Directors and Compensation.** Except as otherwise set forth herein, each Director shall serve for a term of 2 years and may serve an unlimited number of consecutive terms. Each Director shall continue to hold office until his successor is elected and qualified. The Directors shall serve without compensation for such service.

**Section 7.3 Vacancies on the Board of Directors.** If the office of any elected Director shall become vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the Member which elected the Director for whom the office is now vacant, shall choose a successor within 10 days of the vacancy. The successor Director shall fill the unexpired term of the directorship being vacated. At the expiration of the term of his position on the Board of Directors, the successor Director shall be re-elected or his successor shall be elected in accordance with these Bylaws.

**Section 7.4 Removal of Directors by Members.** Elected Directors may be removed, with or without cause, by the Member which elected the Director at any time; provided notice of the removal has been given to the entire Board of Directors and the successor Director is elected in accordance with Section 7.3 of these Bylaws.

**Section 7.5 Organizational Meeting of the Board of Directors.** No later than twenty (20) days following each of (a) the establishment of the Master Association and (b) each annual meeting of the Members of the Master Association, the Board of Directors shall hold a regular meeting for the purposes of organization, election of officers and transaction of other business. Notice of this meeting shall be given to all Directors in accordance with Section 7.7 of these Bylaws, except for the initial meeting, which shall be called by Master Declarant.

**Section 7.6 Place of Meetings.** All meetings of the Board of Directors shall be held at the principal office of the Master Association or at any other place or places designated at any time by resolution of the Board of Directors or by written consent of all of the Directors. A special meeting of the Board of Directors may be held by any method of communication, including electronic and telephonic, by which each Director may hear and be heard by every other Director, and any such meeting may involve consideration of any action, including any action involving a vote on a fine, damage assessment, appeal from a denial of architectural control approval, or suspension of a right of a particular Member before the Member has an opportunity to attend a meeting of the Board of Directors to present the Member's position on the issue.

**Section 7.7 Regular Board of Directors Meetings.** Regular meetings of the Board of Directors may be held at any time and place permitted by law as from time to time may be determined by the Board of Directors. Notice of regular meetings of the Board of Directors shall be given to each Director personally, by telegram, telephone, electronic mail, facsimile or by United States mail, with postage prepaid, directed to him at his last known post office address, as the same appears on the records of the Master Association, at least 10 but not more than [30] days before the date of the meeting. This notice shall state the date, time, place and purpose of the meeting. Meetings of the Board of Directors may be held by conference telephone; subject to the provisions of the Texas Business Organizations Code.

**Section 7.8 Special Meetings of the Board of Directors.** Special meetings of the Board of Directors may be called by the President on his own accord or by the President or the Secretary upon the written request of any 1 Director, on 3 days' prior notice to each Director.

**Section 7.9 Waiver of Notice.** Before any meeting of the Board of Directors, whether regular or special, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to giving the required notice. All written waivers shall be filed in the Minute Book of the Master Association or made a part of the minutes of the meeting. Attendance by a Director at any meeting of the Board of Directors shall likewise constitute a waiver by him of the required notice. If all Directors are present at any meeting of the Board of Directors, no notice of the meeting shall be required and any business may be transacted at the meeting except as prohibited by law or these Bylaws.

**Section 7.10 Directors Quorum.** At all duly convened meetings of the Board of Directors, two Directors, including the Director elected by the Commercial Unit and one Director elected by the Residential Unit, must be present to constitute a quorum for the transaction of business, except as otherwise expressly provided in these Bylaws subject to the limitations set forth in the Master Declaration. If any Director fails to attend a properly-noticed meeting and thereby prevents the assembly of a quorum, the subject matter of the meeting shall constitute a Dispute which shall be settled in accordance with Article XV of the Master Declaration. The acts of a majority of the Directors present at the meeting at which a quorum is present shall be the acts of the Board of Directors. Any matter which constitutes a Major Decision (as defined in the Master Declaration) shall be voted upon by the Members, and any action by the Board of Directors with respect to a Major Decision prior to the vote of the Members and without the authorization of the Members shall be void *ab initio*.

**Section 7.11 Consent in Writing.** Any action by the Board of Directors, including any action involving a vote on a fine, damage assessment, appeal from a denial of architectural control approval, or suspension of a right of a particular Member before the Member has an opportunity to attend a meeting of the Board of Directors to present the Member's position on the issue, may be taken without a meeting if all of the Directors shall unanimously consent in writing to the action. Such written consent shall be filed in the Minute Book. Any action taken by such written consent shall have the same force and effect as a unanimous vote of the Directors.

**Section 7.12 Records.** The Board of Directors shall cause a complete record of all of its acts and the corporate affairs of the Master Association to be kept and to present a general report thereof to the Members at each annual meeting of the Members of the Master Association or at any special meeting of the Members of the Master Association where a general report is requested in writing by a Member in Good Standing entitled to vote.

**Section 7.13 Powers and Duties.** Subject to the Governing Documents, the Board of Directors shall have and exercise all powers and duties necessary for the proper administration of the affairs of the Master Association. In the performance of its duties as the governing body of the Master Association, subject to limitations set forth in the Master Declaration, the Board of Directors shall have all powers enumerated in Section 82.102 of the Act, and in addition to those powers and duties set forth in the Act and the Master Declaration, the Board of Directors shall have the powers and duties including, but not limited to, those enumerated below. Each Director individually and the Board of Directors collectively shall perform the duties and powers of the Board of Directors in good faith as a fiduciary of the Master Association, in a manner which the Director believes to be in the best interest of the Master Association and with the care of a person of ordinary prudence under similar circumstances, including, but not limited to, reasonable inquiry, skill and diligence.

(a) Duties:

(i) provide for the operation, maintenance, management, insurance, cleaning, sanitation, renewal, replacement, care and upkeep of the Master Common Elements and all property, real or personal, of the Master Association;

(ii) determine the Common Expenses and any other charges comprising the operating expenses of the Master Association, establish the amount of Monthly Assessments, as the same may increase or decrease, and assess the same against the Owners in accordance with the provisions of the Master Declaration and these Bylaws;

(iii) levy and collect, in addition to Monthly Assessments, Special Assessments in amounts which the Board of Directors deems proper, whenever the Board of Directors is of the opinion it is necessary to do so in order to meet increased operating or maintenance costs or additional capital expenses or because of emergencies, subject to limitations set forth in the Master Declaration;

(iv) use and expend any sums collected from Monthly Assessments and Special Assessments for the operation, maintenance, renewal, care and upkeep of the Master Common Elements;

(v) maintain the Master Common Elements;

(vi) maintain the Reserve Fund out of Monthly Assessments;

(vii) pay all taxes and assessments levied or assessed against any property that may be owned by the Master Association, exclusive of any taxes or assessments levied against any Member or otherwise properly chargeable to the Member;

(viii) collect delinquent Assessments against any Master Unit and the Owner thereof, whether by suit or otherwise and to abate any nuisance and enforce the terms of the Master Declaration and the observance of the Regulations by injunction or other legal action or means which the Board of Directors may deem necessary or appropriate;

(ix) establish operating, escrow and other accounts in the name of the Master Association as the Board of Directors may deem appropriate from time to time and as may be consistent with GAAP;

(x) adopt a budget for each fiscal year which shall contain estimates of the costs and expenses of the Master Association and the proposed Monthly Assessments which initial budget and certain increases shall be approved by Owners as required in the Master Declaration;

(xi) cause a complete review of the books and accounts of the Master Association to be made by a competent independent public accountant at the end of each fiscal year and at any other time or times deemed necessary;

(xii) maintain accounting records in accordance with GAAP; and

(xiii) make and enforce compliance with the Regulations relative to the operation, use and occupancy of the Property, including, but not limited to, penalties to be levied for violations of these Bylaws, the Master Declaration and the Regulations which the Board of Directors shall adopt, and to amend the same from time to time as and when approved by appropriate resolutions which shall be binding on the Owners, tenants and occupants of the Master Units, their successors in title and assigns. A copy of the Regulations and copies of any amendments thereto shall be delivered or mailed to each Owner and any tenant or occupant of an Owner's Master Unit promptly upon the adoption thereof.

(b) Powers:

(i) employ and dismiss personnel of the Master Association, and purchase or arrange for those services, machinery, equipment, tools, materials and supplies as, in the opinion of the Board of Directors, may from time to time be necessary for the proper operation and maintenance of the Master Common Elements;

(ii) subject to Section 7.17 of these Bylaws, enter into contracts for professional management of the Property and the Master Association, at such prices and upon such terms as may be determined by the Board of Directors, to perform those duties and services which the Board of Directors may lawfully delegate;

(iii) employ or retain and receive advice from professional counsel and consultants, including, but not limited to, landscape architects, architects, engineers, planners, biologists, lawyers and accountants, which the Board of Directors may deem necessary for any proper purposes of the Master Association, and fix the compensation for professional advice or services, including, but not limited to, those hereinbefore or hereinafter referred to in these Bylaws. The Board of Directors shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following: (A) one or more officers or employees of the Master Association whom the Board of Directors reasonably believes to be reliable and competent in the matter presented; (B) counsel, public accountants or other Persons as to the matters which the Board of Directors reasonably believes to be within the professional or expert competence of this Person; and (C) a committee of the Board of Directors duly designated in accordance with law, as to matters within its designated authority, which committee the Board of Directors reasonably believes to merit confidence. The Board of Directors shall not be considered to be acting in good faith if it has knowledge concerning the matter in question that would cause this reliance to be unwarranted;



(iv) name as an insured, on behalf of the Master Association, the Master Association's authorized representative, including any trustee with which the Master Association may enter into any insurance trust agreement or any successor to this trustee (each of which shall be referred to herein as the "*Insurance Trustee*"), to be given exclusive authority to negotiate losses under any policy providing property or liability insurance coverage. The Master Association or any Insurance Trustee or substitute Insurance Trustee designated by the Master Association shall have the exclusive power to act as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including the collection and appropriate disposition of the proceeds thereof, the negotiation of losses, execution of releases of liability and the execution of all documents and the performance of all other acts necessary to accomplish these purposes;

(v) establish depositories for the funds of the Master Association with the bank or banks as shall be designated from time to time by the Board of Directors and in which monies of the Master Association shall be deposited. Withdrawal of monies shall be only by check signed by those Persons who are authorized by the Board of Directors to sign checks on behalf of the Master Association;

(vi) invest monies of the Master Association in any investments which the Board of Directors deems to be reasonably prudent;

(vii) borrow and repay monies and give notes, mortgages or other security upon the terms which are deemed reasonable by the Board of Directors;

(viii) acquire by purchase, gift, annexation or lease, real or personal property, if, at any time in the future, the Board of Directors deems it to be proper and not inconsistent with the terms hereof to do so;

(ix) grant and reserve easements, leases, licenses or concessions where necessary or desirable for utilities, routes of ingress and egress, or any other purpose, over the Master Common Elements and to amend the Map to show such interests;

(x) establish a form of estoppel certificate acceptable to the Master Association for delivery to prospective purchasers and lenders and an appropriate charge for furnishing such certificate; and

(xi) do all things incidental and necessary to the accomplishment of the foregoing.

The duties and powers imposed on the Board of Directors by this Section shall not be amended so as to reduce, eliminate or expand any duties or powers of the Board of Directors without the affirmative vote of at least 100% of the votes of the Members voting at the meeting called to consider such amendment.

**Section 7.14 Liability; Conduct of Directors and Officers.** No Member, Director, officer or representative of the Master Association shall be personally liable for debts or liabilities of the Master Association. A Director or officer is not liable to the Master Association, any Member or any other person for an action taken or omission made or mistake in judgment by the Director or officer in the Person's capacity as a Director or officer, whether negligent or otherwise, unless the Director or officer's conduct was not exercised: (a) in good faith, (b) with ordinary care, and (c) in a manner that the Director or officer reasonably believed to be in the best interest of the Master Association. The liability of officers and Directors of the Master Association shall, to the fullest extent permitted by law, be limited by the

Charitable immunity and Liability Act of 1987, Chapter 84, Texas Civil Practice and Remedies Code, as amended.

**Section 7.15 Annual Budget and Assessments.** Copies of the Master Budget for the next fiscal year of the Master Association shall be prepared by the Board of Directors and distributed to all Members at least 30 days prior to the beginning of each fiscal year of the Master Association and shall be available to all Members for inspection during regular business hours at the Master Association's office. If the Master Budget is subsequently amended before the Assessments are made, a copy of the amended Master Budget shall also be distributed and made available for inspection. Reserves shall include reasonable amounts to be credited, allocated or accumulated for replacement of those Master Common Area improvements or facilities that require replacement, renovation or rehabilitation periodically. Subject to the provisions of the Master Declaration, nothing herein contained shall be construed as restricting the right of the Board of Directors, at any time and in its sole discretion, to levy a Special Assessment in the event that the budget as originally adopted shall appear to be insufficient to pay the cost of the operation or management of the Property or in the event of emergencies.

**Section 7.16 Management Certificate.** If the Board of Directors determines that it is in the best interest of the Master Association to hire a Manager for the Property in accordance with Section 7.17 of these Bylaws, the Master Association shall record in the County a certificate, signed and acknowledged by an officer of the Master Association stating:

- (a) the name of the Master Condominium;
- (b) the name of the Master Association;
- (c) the location of the Master Condominium;
- (d) the recording data for the Master Declaration;
- (e) the mailing address of the Master Association, or the name and mailing address of the Person managing the Master Association; and
- (f) other information the Master Association considers appropriate.

Such certificate shall be recorded within 30 days after the Master Association receives notice of a change in any of the information listed in (a) through (e) herein.

**Section 7.17 Manager.** To facilitate management of the Property and the administration of the Master Association, the Board of Directors may delegate to a Manager responsibility for matters of a routine nature renewable by agreement of the parties thereto for successive one year periods only, and shall be subject to termination by either party with or without cause and without payment of a termination fee upon not more than 30 days prior written notice. After a Manager has been appointed, no decision by the Master Association to manage its own affairs without a Manager shall be effective unless and until approved by an affirmative vote of the Members holding not less than 100% of the votes allocated by the Master Declaration.

**Section 7.18 Open Meeting.** Meetings of the Members of the Master Association and the Board of Directors shall be open to all Members. Subject to applicable law, the Board of Directors shall have the right to adjourn a meeting and reconvene in private, closed executive session to consider any actions involving personnel, pending litigation, contract negotiations, or enforcement actions, or upon the request of an affected party, or to consider matters that are confidential in the opinion of the Board of

Directors; provided, however, the Board of Directors shall announce the general nature of the business to be considered in such executive session prior to adjourning the meeting.

## ARTICLE VIII Officers

**Section 8.1 Officers.** The officers of the Master Association shall be a President, one or more Vice Presidents, a Secretary and Treasurer. The offices of President and Secretary may not be held by the same person. The Secretary may be eligible to hold the office of Treasurer. The President and Secretary shall not be representatives of the same entity Owner. The President and Treasurer must also be Directors. The Secretary need not be a Director.

**Section 8.2 Election.** Except as set forth herein, the officers of the Master Association shall be elected annually by the Board of Directors at the organizational meeting held pursuant to Section 7.5 of these Bylaws and shall hold office until their successors are elected or appointed by the Board of Directors; provided that each officer may be removed, either with or without cause, whenever in the best interest of the Master Association, and his successor elected by the affirmative vote of a majority of the Directors at any annual or special meeting of the Board of Directors called for that purpose. The President and Secretary shall each serve for a term of 2 years and the remaining officers shall serve for a term of 1 year. The Board of Directors may, from time to time, appoint other officers who, in its judgment, are necessary. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the Master Association. Any resignation shall take effect as of the date of the receipt of this notice or any later time specified therein; unless specified therein, the acceptance of a written resignation shall not be necessary to make it effective.

**Section 8.3 Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office.

**Section 8.4 President.** The President shall be the chief executive officer of the Master Association and shall preside at all meetings of the Members of the Master Association and the Board of Directors. The President shall have the general powers and duties usually vested in the office of the president of a community association, including, but not limited to, the power to appoint committees from the Members from time to time as he may deem appropriate to assist in the conduct of the affairs of the Master Association provided, however, no such committee shall have the right to exercise the full authority of the Board of Directors. The President shall be an ex-officio member of all standing committees, if any. The President shall execute deeds, contracts and other instruments, in the name and on behalf of the Master Association and under its corporate seal when a seal is required, except when these documents are required or permitted by law to be otherwise executed, and except when the signing and execution thereof shall be delegated by the Board of Directors to another officer or agent of the Master Association.

**Section 8.5 Vice President.** In the absence of the President or in the event of the President's inability or refusal to act, a Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all of the restrictions upon the President. Any Vice President shall have only such powers and perform only such duties as the Board of Directors may from time to time prescribe or as the officers may from time to time delegate.

**Section 8.6 Secretary.** The Secretary shall attend all meetings of the Board of Directors and all meetings of the Members of the Master Association and record all votes and the minutes of all meetings and Proceedings, including resolutions, in the Minute Book. The Secretary shall perform the

same duties for any committees when required. The Secretary shall have charge and custody of the Minute Book, the records of the Master Association and any papers which the Board of Directors shall direct the Secretary to keep; shall perform all duties incident to the office of Secretary, including, but not limited to, the sending of notice of meetings to the Members, the Directors and members of any committees, and shall perform any other duties which may be prescribed by these Bylaws or by the Board of Directors or the President. The Secretary shall also have custody of the corporate seal and shall affix the same to any instrument requiring it when authorized by the Board of Directors and shall attest or certify the same when appropriate. The Secretary shall keep, or cause to be kept, at the principal office of the Master Association, a membership register showing the following: (a) the names and addresses of all Directors; (b) the names and addresses of all Members as provided by the Members; (c) the Master Unit that is owned by each Member; and (d) the vote of each Member. The Secretary shall prepare, execute and cause the recordation of amendments to the Master Declaration on behalf of the Master Association except when the preparation, execution and recordation thereof shall be delegated by the Board of Directors to another officer or agent of the Master Association. Nothing shall prohibit the functions of the Secretary to be delegated to an agent of the Master Association provided this delegation is approved by resolution of the Board of Directors. The delegation of the duties of the Secretary shall not relieve the Secretary from any responsibility related to overseeing and reviewing any duties performed by the agent.

**Section 8.7 Treasurer.** The Treasurer shall have the responsibility for the Master Association's funds and securities, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Master Association, and shall deposit all monies, checks and other valuable effects in the name of and to the credit of the Master Association in those depositories which may be designated from time to time by the Board of Directors. The Treasurer shall disburse the funds of the Master Association, as the Treasurer may be ordered to do from time to time by the Board of Directors or by the President, and shall render to the President and the Directors at the regular meetings of the Board of Directors, or whenever they or either of them shall require, an account of his transactions as Treasurer and of the financial condition of the Master Association. Nothing shall prohibit the functions of the Treasurer to be delegated to an agent of the Master Association provided this delegation is approved by resolution of the Board of Directors. The delegation of the duties of the Treasurer shall not relieve the Treasurer from any responsibility related to overseeing and reviewing any duties performed by the agent.

**Section 8.8 Compensation.** The officers of the Master Association shall serve without compensation except that they shall be entitled to reimbursement for all expenses reasonably incurred in the discharge of their duties.

## ARTICLE IX

### Indemnification of Directors, Officers and Other Authorized Representatives

**Section 9.1 General Indemnification.** The Master Association shall indemnify an individual who was, is or is threatened to be made a named defendant or respondent in a Proceeding because the individual is or was a Director only if it is determined in accordance with Section 9.5 of these Bylaws that the individual: (1) conducted himself or herself in good faith; (2) reasonably believed: (a) in the case of conduct in such individual's Official Capacity as a Director of the Master Association, that his conduct was in the Master Association's best interests, and (b) in all other cases, that his conduct was at least not opposed to the Master Association's best interests; and (3) in the case of any criminal Proceeding, had no reasonable cause to believe that his conduct was unlawful.

**Section 9.2 Personal Interest or Liability.** A Director shall not be indemnified by the Master Association as provided in Section 9.1 of these Bylaws for obligations resulting from a Proceeding: (1) in which the Director is found liable on the basis that personal benefit was improperly

received by him, whether or not the benefit resulted from an action taken in the individual's Official Capacity; or (2) in which the individual is found liable to the Master Association, except to the extent permitted in Section 9.4 of these Bylaws.

**Section 9.3 Final Judgment Required.** The termination of a Proceeding by judgment, order, settlement, or conviction or on a plea of nolo contendere or its equivalent is not of itself determinative that the individual did not meet the requirement set forth in Section 9.1 of these Bylaws. An individual shall be deemed to have been found liable in respect of any claim, issue or matter only after the individual shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom or after such judgment becomes final and non-appealable.

**Section 9.4 Limited Indemnification.** An individual may be indemnified by the Master Association as provided in Section 9.1 of this Article IX against judgments, penalties (including excise and similar taxes), fines, settlements, and reasonable expenses, including court costs and attorneys fees actually incurred by the individual in connection with a Proceeding; but if the individual is found liable to the Master Association or is found liable on the basis that personal benefit was improperly received by the individual, the indemnification (1) is limited to reasonable expenses actually incurred by the individual in connection with the Proceeding including court costs and attorneys fees and (2) shall not be made in respect of any Proceeding in which the person shall have been found liable for willful or intentional misconduct in the performance of his or her duty to the Master Association.

**Section 9.5 Determination of Indemnification.** A determination of indemnification under Section 9.1 of these Bylaws must be made: (1) by a majority vote of a quorum of Directors who at the time of the vote are not named defendants or respondents in the Proceeding; (2) if such a quorum cannot be obtained, by a majority vote of a committee of the Board of Directors, designated to act in the matter by a majority vote of all Directors, consisting solely of two or more Directors who at the time of the vote are not named defendants or respondents in the Proceeding; or (3) by special legal counsel selected by the Board of Directors or a committee of the Board of Directors by vote as set forth in subsection (1) or (2) of this Section 9.5 or, if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all Directors.

**Section 9.6 Authorization and Determination of Reasonableness of Expenses.** Authorization of indemnification and determination as to reasonableness of expenses (including court costs and attorneys fees) must be made in the same manner as the determination that indemnification is permissible, except that if the determination that indemnification is permissible is made by special legal counsel, authorization of indemnification, and determination as to reasonableness of expenses (including court costs and attorneys fees) must be made in the manner specified by subsection (3) of Section 9.5 of these Bylaws for the selection of special legal counsel. A provision contained in the Certificate of Formation, the Bylaws, a resolution of the Board of Directors or an agreement that makes mandatory the indemnification described in Section 9.1 of these Bylaws shall be deemed to constitute authorization of indemnification in the manner required herein, even though such provision may not have been adopted or authorized in the same manner as the determination that indemnification is permissible.

**Section 9.7 Success in a Proceeding.** The Master Association shall indemnify a Director against reasonable expenses (including court costs and attorneys fees) incurred by him in connection with a Proceeding in which he is a named defendant or respondent because he is or was a Director if he has been wholly successful on the merits or otherwise, in the defense of the Proceeding.

**Section 9.8 Court Determination of Indemnification.** If, upon application of a Director, a court of competent jurisdiction determines, after giving any notice the court considers necessary, that the Director is fairly and reasonably entitled to indemnification in view of all the relevant circumstances,

whether or not he has met the requirements set forth in Section 9.1 of these Bylaws or has been found liable in the circumstances described in Section 9.2 of these Bylaws, the Master Association shall indemnify the Director to such further extent as the court shall determine; but if the individual is found liable to the Master Association or is found liable on the basis that personal benefit was improperly received by the individual, the indemnification shall be limited to reasonable expenses (including court costs and attorneys fees) actually incurred by the individual in connection with the Proceeding.

**Section 9.9 Advancing Director Expenses.** Reasonable expenses (including court costs and attorneys fees) incurred by a Director who was, is, or is threatened to be made a named defendant or respondent in a Proceeding may be paid or reimbursed by the Master Association in advance of the final disposition of the Proceeding and without the determination specified in Section 9.5 of these Bylaws or the authorization or determination specified in Section 9.6 of these Bylaws after the Master Association receives a written affirmation by the Director of his good faith belief that he has met the standard of conduct necessary for indemnification under this Article IX and a written undertaking by or on behalf of the Director to repay the amount paid or reimbursed if it is ultimately determined that he has not met that standard or it is ultimately determined that indemnification of the Director against expenses (including court costs and attorneys fees) incurred by him in connection with that Proceeding is prohibited by Section 9.4 of these Bylaws. A provision contained in the Certificate of Formation, these Bylaws, a resolution of the Board of Directors, or an agreement that makes mandatory the payment or reimbursement permitted under this Section 9.9 shall be deemed to constitute authorization of that payment or reimbursement.

**Section 9.10 Repayment of Expenses by Director.** The written undertaking required by Section 9.9 of these Bylaws must be an unlimited general obligation of the Director but need not be secured. It may be accepted without reference to financial ability to make repayment.

**Section 9.11 Witness Expenses.** Notwithstanding any other provision of this article, the Master Association may pay or reimburse expenses (including attorneys fees) incurred by a Director in connection with his appearance as a witness or other participation in a Proceeding at a time when he is not a named defendant or respondent in the Proceeding.

**Section 9.12 Officer Indemnification.** An officer of the Master Association shall be indemnified by the Master Association as and to the same extent provided for a Director by Sections 9.1, 9.6, 9.7 and 9.8 of these Bylaws and is entitled to seek indemnification under those Sections to the same extent as a Director. The Master Association may indemnify and advance expenses (including court costs and attorneys fees) to an officer, employee or agent of the Master Association to the same extent that it may indemnify and advance expenses (including court costs and attorneys fees) to directors under this article.

**Section 9.13 Indemnification of Others.** The Master Association may indemnify and advance expenses (including court costs and attorneys fees) to individuals who are not or were not officers, employees, or agents of the Master Association but who are or were serving at the request of the Master Association as a Director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic Master Association, partnership, joint venture, sole proprietorship, trust or other enterprise to the same extent that it may indemnify and advance expenses (including court costs and attorneys fees) to Directors under this Article IX.

**Section 9.14 Advancing Expenses for Others.** The Master Association may indemnify and advance expenses (including court costs and attorneys fees) to an officer, employee, agent, or individual identified in Section 9.13 of these Bylaws and who is not a Director to such further extent, consistent with

law, as may be provided by the Certificate of Formation, these Bylaws, general or specific action of the Board of Directors or contract or as permitted or required by common law.

**Section 9.15 Insurance Authorized.** The Master Association may purchase and maintain insurance or another arrangement on behalf of any individual who is or was a Director, officer, employee or agent of the Master Association or who is or was serving at the request of the Master Association as a Director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic Master Association, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, against any liability asserted against him and incurred by him in such a capacity or arising out of his status as such a Person, whether or not the Master Association would have the power to indemnify him against that liability under this Article IX. Without limiting the power of the Master Association to procure or maintain any kind of insurance or other arrangement, the Master Association may, for the benefit of individuals indemnified by the Master Association: (1) create a trust fund; (2) establish any form of self-insurance; (3) secure its indemnity obligations by grant of a security interest or other lien on the assets of the Master Association; or (4) establish a letter of credit, guaranty or surety agreement. The insurance or other arrangement may be procured, maintained or established within the Master Association or with any insurer or other individual deemed appropriate by the Board of Directors, regardless of whether all or part of the stock or other securities of the insurer or other Person are owned in whole or part by the Master Association. In the absence of fraud, the judgment of the Board of Directors as to the terms and conditions of the insurance or other arrangement and the identity of the insurer or other Person participating in an arrangement shall be conclusive, and the insurance or arrangement shall not be voidable and shall not subject the Directors approving the insurance or arrangement to liability, on any ground, regardless of whether Directors participating in the approval are beneficiaries of the insurance or arrangement. Notwithstanding the provisions of this Section 9.15 in the event of any conflict between the provisions of this Section 9.15 and the provisions of the Master Declaration, the provisions of the Master Declaration shall control.

**Section 9.16 Indemnification Prohibited by the Master Declaration.** Notwithstanding any provision of this Article IX to the contrary, no indemnification shall be authorized by or provided under this Article IX for any act in violation of any Legal Requirements.

## ARTICLE X

### Master Association Books and Records

The Master Association shall keep or cause to be kept (a) detailed financial records of the Master Association in sufficient detail to enable the Master Association to prepare a resale certificate in accordance with the provisions of Section 82.157 of the Act, (b) the plans and specifications used to construct the Master Condominium, (c) the name and mailing address of each Owner of a Master Unit; (d) voting records, proxies and correspondence relating to all amendments to the Master Declaration, and (e) the minutes of all meetings of the Members of the Master Association and the Board of Directors. All books and records of the Master Association shall be available for inspection by the Owners, the Mortgagees, and their respective agents and representatives, during normal business hours. All books and records of the Master Association shall be kept in accordance with GAAP, consistently applied, and shall be audited at least once a year by an independent certified public accountant. If requested in writing by an Member or Mortgagee, the Master Association shall furnish such requesting Member or Mortgagee copies of the audited financial statements of the Master Association within 90 days following the end of each fiscal year of the Master Association. The Board of Directors shall further make available for the inspection by Owners, the Mortgagees, and their respective agents and representatives, during normal business hours, the current version of the Governing Documents and all other documents affecting the Master Association, the Owners, or the Property, as well as all amendments thereto and revisions thereof. Master Declarant shall furnish copies of the information set forth in this Section to the Master Association

on the date the first Master Unit is conveyed to an Owner. For purposes of this paragraph, "available" shall mean available for inspection, upon reasonable advance request of not less than 24 hours, during regular business hours at the office of the Master Association or the office of the Manager of the Master Association. The cost of any copies shall be reimbursed to the Master Association at a rate set by the Board of Directors.

## **ARTICLE XI**

### **Dissolution and Termination**

Upon winding up of the Master Association, the real and personal property of the Master Association shall be distributed pursuant to the provision of the Certificate of Formation or, if no such provision is made, distributed to one or more organizations which are exempt from taxation under Section 501(c)(3) of the Code.

## **ARTICLE XII**

### **Miscellaneous**

**Section 12.1 Fiscal Year.** The fiscal year of the Master Association shall be the calendar year unless the Board of Directors shall determine otherwise.

**Section 12.2 Amendments to Bylaws.**

(a) These Bylaws may be amended from time to time by the affirmative vote, in person or by proxy, of 100% of all of the Members voting at the meeting called to consider such amendment.

(b) Members must be given notice of the meeting required by Section 12.2(a) of these Bylaws not less than 10 or more than 20 days preceding the date of the meeting. Any such notice shall include the specific amendment or other change proposed to be made to these Bylaws.

**Section 12.3 Inspection of Bylaws.** The Master Association shall keep in its principal office the original or a copy of these Bylaws, as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the Members during normal business hours.

**Section 12.4 Membership Minutes.** The membership register and the Minute Book shall be open to inspection within 1 business day of demand of any Member during the normal business hours of the Master Association, for purposes reasonably related to the interests of such Member.

**Section 12.5 Construction.** Number and gender as used in these Bylaws shall extend to and include both singular and plural and all genders as the context and construction require.

[SIGNATURE ON FOLLOWING PAGE]



Adopted as of 4-26.07, 2007.

Shanna Teague  
Shanna Teague, Secretary of the Master Association

THE STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me on the 26 day of April, 2007,  
by Shanna Teague, Secretary of The Sabine Master Condominium Association, Inc.,  
a Texas nonprofit corporation, on behalf of said corporation.

Janis T. Cowey  
Notary Public - State of Texas

My Commission Expires:



MASTER BY-LAWS  
Dallas (214) 479-2296, 911

PAGE 19



FILED AND RECORDED  
OFFICIAL PUBLIC RECORDS

Dana Debeauvoir

DANA DEBEAUVOIR, COUNTY CLERK  
TRAVIS COUNTY, TEXAS

March 22 2010 12:58 PM

FEE: \$ 104.00 2010038505

STATE OF TEXAS       §  
COUNTY OF TRAVIS   §

**Recordation of Bylaws:**

**The Sabine on Fifth Residential Condominium Association, Inc.**

The Residential Condominium Declaration for The Sabine on Fifth Residential Condominium was recorded in Document No. 2007076120 of the Official Public Records of Travis County Texas, and amended by the First Amendment filed of record in Document No. 2010001368 (together with all amendments, the "Declaration"). The Declaration references a condominium owners association, The Sabine on Fifth Residential Condominium Association, Inc. (the "Association"). The Association has previously adopted bylaws. The Board of the Association hereby files of record the previously-adopted Bylaws of the Association as Exhibit "A" hereto.

**The Sabine on Fifth Residential Condominium  
Association, Inc.**

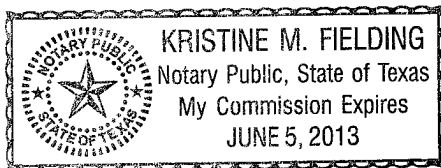
By: Niemann & Heyer LLP, attorneys and  
authorized agents

By: Connie Heyer  
Connie N. Heyer

Exhibit "A": Bylaws

STATE OF TEXAS  
COUNTY OF TRAVIS

This instrument was acknowledged before me by Connie Heyer on  
March 22, 2010.



Kristine Fielding  
Notary Public for the State of Texas  
Printed name of notary Kristine Fielding  
My commission expires 6/5/2013

Fileserver:CLIENTS:SabineOn5th(Resid.):RecordBylaws3 15.10

After recording, please return to:  
Niemann & Heyer, L.L.P.  
Attorneys at Law  
1122 Colorado St., Suite 313  
Austin, Texas 78701

**Exhibit "A"**

**RESIDENTIAL BYLAWS**

**OF**

**THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.**

## TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I Name and Address.....	1
Section 1.1 Name .....	1
Section 1.2 Address.....	1
Section 1.3 Registered Agent.....	1
ARTICLE II Applicability.....	1
ARTICLE III Purpose.....	1
ARTICLE IV Definitions and Interpretation .....	1
Section 4.1 Definitions.....	1
Section 4.2 Interpretation .....	4
ARTICLE V Member .....	4
Section 5.1 Membership.....	4
Section 5.2 Membership List .....	4
Section 5.3 Proxies.....	4
Section 5.4 Member in Good Standing .....	5
ARTICLE VI Meetings of the Members of the Residential Association.....	5
Section 6.1 Place of Annual and Special Meetings.....	5
Section 6.2 Date of Annual Meetings .....	5
Section 6.3 Notice of Annual Meetings .....	5
Section 6.4 Special Meeting.....	5
Section 6.5 Notice of Special Meetings .....	6
Section 6.6 Quorum.....	6
Section 6.7 Affirmative Vote .....	6
Section 6.8 Agenda .....	6
Section 6.9 Action without Meeting by Written Ballot.....	6
Section 6.10 Administration of Affairs .....	6
ARTICLE VII The Residential Board of Directors.....	6
Section 7.1 Authority; Number of Directors.....	6
Section 7.2 Term of Directors and Compensation .....	7
Section 7.3 Removal of Directors for Cause.....	7
Section 7.4 Vacancies on the Residential Board of Directors.....	7
Section 7.5 Removal of Directors by Members .....	8
Section 7.6 Organizational Meeting of the Board of Directors.....	8
Section 7.7 Place of Meetings .....	8
Section 7.8 Regular Residential Board of Directors Meetings.....	8
Section 7.9 Special Meetings of the Residential Board of Directors .....	8
Section 7.10 Waiver of Notice .....	8
Section 7.11 Directors Quorum.....	9
Section 7.12 Consent in Writing .....	9
Section 7.13 Records.....	9
Section 7.14 Powers and Duties.....	9

Section 7.15	Liability; Conduct of Directors and Officers.....	12
Section 7.16	Annual Budget and Assessments .....	12
Section 7.17	Management Certificate .....	12
Section 7.18	Manager.....	13
Section 7.19	Open Meeting.....	13
ARTICLE VIII Officers.....		13
Section 8.1	Officers.....	13
Section 8.2	Election.....	13
Section 8.3	Vacancies .....	14
Section 8.4	President.....	14
Section 8.5	Vice President .....	14
Section 8.6	Secretary.....	14
Section 8.7	Treasurer.....	15
Section 8.8	Compensation.....	15
ARTICLE IX Indemnification of Directors, Officers and Other Authorized Representatives.....		15
Section 9.1	General Indemnification.....	15
Section 9.2	Personal Interest or Liability .....	15
Section 9.3	Final Judgment Required.....	15
Section 9.4	Limited Indemnification.....	15
Section 9.5	Determination of Indemnification .....	16
Section 9.6	Authorization and Determination of Reasonableness of Expenses .....	16
Section 9.7	Success in a Proceeding .....	16
Section 9.8	Court Determination of Indemnification .....	16
Section 9.9	Advancing Director Expenses .....	16
Section 9.10	Repayment of Expenses by Director .....	17
Section 9.11	Witness Expenses .....	17
Section 9.12	Officer Indemnification.....	17
Section 9.13	Indemnification of Others .....	17
Section 9.14	Advancing Expenses for Others .....	17
Section 9.15	Insurance Authorized .....	17
Section 9.16	Indemnification Prohibited by the Residential Declaration .....	18
ARTICLE X Residential Association Books and Records .....		18
ARTICLE XI Winding Up and Termination.....		18
ARTICLE XII Miscellaneous.....		19
Section 12.1	Fiscal Year.....	19
Section 12.2	Amendments to Residential Bylaws.....	19
Section 12.3	Inspection of Residential Bylaws.....	19
Section 12.4	Membership Minutes.....	19
Section 12.5	Construction .....	19

**THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.**

**RESIDENTIAL BYLAWS**

**ARTICLE I**

**Name and Address**

**Section 1.1 Name.** The name of this corporation shall be THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC. (herein called the "*Residential Association*").

**Section 1.2 Address.** The office of the Residential Association shall be at the place to be designated by the Residential Board of Directors, subject to change upon notice to the Members of the Residential Association.

**Section 1.3 Registered Agent.** The Residential Association shall have and continuously maintain in the State of Texas a registered agent whose office is identical with such registered office, as required by the Texas Business Organizations Code. The registered office may be, but need not be, identical to the principal office in the State of Texas, and the registered office may be changed from time to time by the Residential Board of Directors.

**ARTICLE II**

**Applicability**

These Residential Bylaws shall be applicable to the Residential Association. In accordance with the terms of the Residential Declaration, all Members and any other Persons permitted to use the Residential Common Elements shall be subject to these Residential Bylaws, the Regulations and to any other rules and regulations adopted from time to time by the Residential Board of Directors. Ownership of any Residence, or rental or occupancy of any portion of a Residence in the Residential Property shall be conclusively deemed to mean that the Residential Tenant or occupant has accepted, ratified and will comply with the Residential Governing Documents.

**ARTICLE III**

**Purpose**

The purpose of the Residential Association is to protect and enhance the value of the Residential Property, including, without limitation, providing for the management of the Residential Common Elements. The Residential Association does not contemplate pecuniary gain or profit to its Members as a result of membership in the Residential Association.

**ARTICLE IV**

**Definitions and Interpretation**

**Section 4.1 Definitions.** The following terms shall have the meanings set forth below. Any capitalized terms not expressly defined herein shall have the same meaning as defined in the Residential Declaration.

**"Act".** The Uniform Condominium Act, Texas Property Code, Chapter 82, Section 82.001 et seq., as amended from time to time.

**"Code".** The Internal Revenue Code of 1986, as amended.

**"County".** Travis County, Texas.

**"Director".** A member of the Residential Board of Directors, and for the purposes of Article IX of these Residential Bylaws any individual who is or was a director of the Residential Association and any individual who, while a director of the Residential Association, is or was serving at the request of the Residential Association as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic association, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise.

**"GAAP".** Generally accepted accounting principles, as promulgated by the Financial Accounting Standards Board.

**"Majority Vote of the Members".** Members in Good Standing holding, in the aggregate, a majority of the votes entitled to be cast by the Members in Good Standing present or voting by legitimate proxy at a called meeting at which a Quorum is present.

**"Manager".** Any experienced and professional manager or management company with whom the Residential Association contracts for the day-to-day management of either or both of the Residential Property or the administration of the Residential Association.

**"Master Regulations".** The rules and regulations of the Master Condominium initially adopted by the Board of Directors and as amended from time to time, relating to the appearance, use and occupancy of the Property, including exterior appearance, use and occupancy of the Residences.

**"Members".** All present and future Residence Owners in the Residential Condominium.

**"Member in Good Standing".** Has the meaning set forth in Section 5.4 of these Bylaws.

**"Minute Book".** The minute book of the Residential Association, which shall contain the minutes of all annual and special meetings of the Members of the Residential Association and the Residential Board of Directors and all resolutions of the Residential Board of Directors.

**"Official Capacity".** (i) when used with respect to a Director, the office of director in the Residential Association and (ii) when used with respect to a individual other than a Director, the elective or appointive office in the Residential Association held by the officer, or the employment or agency relationship undertaken by the employee or agent on behalf of the Residential Association, but (iii) neither (i) nor (ii) above shall include service for any other foreign or domestic association or any partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise.

**"Person".** Any individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, joint venture, estate, trust, unincorporated association, or any other legal entity, including any Governmental Authority and any fiduciary acting in such capacity on behalf of any of the foregoing.

**"President".** The officer of the Residential Association having the duties described in Section 8.4 of these Residential Bylaws.

**"Proceeding".** Any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitative or investigative, any appeal in such an action, suit, or proceeding and any inquiry or investigation that could lead to such an action, suit or proceeding.

**"Quorum"**. Has the meaning set forth in Section 6.6 of these Residential Bylaws.

**"Residential Association"**. The Sabine on Fifth Residential Condominium Association, Inc., a Texas non-profit corporation, and any domestic or foreign successor entity of the Residential Association in a merger, consolidation, or other transaction in which the liabilities of the predecessor are transferred to the Residential Association by operation of law or in any other transaction in which the Residential Association assumes the liabilities of the predecessor and does not specifically exclude liabilities that are the subject matter of Article IX of these Residential Bylaws.

**"Residential Board of Directors"**. Those individuals serving as Residential Board of Directors pursuant to Article VII of these Residential Bylaws and their successors as duly elected and qualified from time to time.

**"Residential Condominium"**. The Sabine on Fifth Residential Condominium, formed pursuant to the Residential Declaration.

**"Residential Declaration"**. The Residential Condominium Declaration for The Sabine on Fifth Residential Condominium, and all recorded amendments thereto, which shall be recorded in the real property records of the County.

**"Residential Improvements"**. The Buildings and their infrastructure, and the pavement, fencing, landscaping, facilities, Residential Systems and man-made objects of every type, existing or in the future placed on the Residential Property, including all cable television, cellular phone, -internet and other utility or communication installations or equipment.

**"Residential Lien Indebtedness"**. Any bona fide indebtedness, which is the result of an arm's-length negotiation secured by a lien or encumbrance upon a Residence.

**"Residential Mortgagee"**. Any Person that is the holder, insurer or guarantor of Residential Lien Indebtedness which has provided the Residential Association with written notice of its name, address and the description of the Residence on which it holds Residential Lien Indebtedness.

**"Residential Property"**. The Residences and the Residential Common Elements.

**"Residential Rules and Regulations"**. The rules and regulations of the Residential Association now or hereafter adopted by the Residential Board of Directors, as amended from time to time, which Residential Regulations shall apply to the Residences and Residence Owners in addition to, and not in lieu of, the provisions of the Master Regulations. If a conflict exists between the Master Regulations and the Residential Regulations, the stricter of the two standards or requirements shall apply.

**"Reserve Fund"**. A fund to be maintained by the Residential Association to meet unforeseen expenditures of the Residential Association, to purchase any additional equipment or services deemed necessary by the Residential Association for operation of the Master Condominium, or for any other purpose deemed necessary by the Residential Association, subject to the provisions of the Residential Declaration.

**"Secretary"**. The officer of the Residential Association having the duties described in Section 8.6 of these Residential Bylaws.

**"Treasurer"**. The officer of the Residential Association having the duties described in Section 8.7 of these Residential Bylaws.



"Vice President". The officer of the Residential Association having the duties described in Section 8.5 of these Residential Bylaws.

**Section 4.2 Interpretation.** In the event of a conflict of interpretation between the provisions set forth in these Residential Bylaws and the Residential Declaration, the Residential Declaration shall govern. If the Code is hereafter amended or changed, both the Residential Declaration and these Residential Bylaws shall be interpreted in a manner which conforms to the provisions of the Code with respect to non-profit entities, it being the intention to preserve the status of the Residential Association as a *bona fide* non-profit entity.

## ARTICLE V Member

### Section 5.1 Membership.

(a) Each Residence Owner shall automatically be a Member of the Residential Association. The voting rights and Residential Allocated Interests are set forth in the Residential Declaration.

(b) In cases where more than one Person owns an interest in a Residence, all such Persons shall arrange among themselves for one of their number to exercise the voting rights appurtenant to their Residence. In no event shall there be more than one vote for any Residence. If only one of the Persons is present at a meeting of the Residential Association, that Person may cast that Residence's vote. If more than one of the Persons is present and after one Person casts the vote, another Person present makes prompt protest to the Person presiding over the meeting, such vote shall not be counted unless such Persons can unanimously agree on such vote by the end of the meeting. Each Person owning a portion of the fee interest in a Residence may vote or register protest to the casting of votes by the other Persons owning portions of the fee interest in the same Residence through a proxy duly executed by such Member. A Member may not revoke a proxy except by giving actual written notice of revocation to the Person presiding over the meeting.

**Section 5.2 Membership List.** The Secretary shall be responsible for maintaining, at the principal office of the Residential Association, an updated list of Members and their last known addresses as provided by each Member in such form and containing such other information as required by the Texas Business Organizations Code. The list shall also show opposite each Member's name the address of the Residence owned. The list shall be revised by the Secretary to reflect changes in the ownership of the Residences occurring prior to the date of the annual or special meeting. The list shall be open to inspection by all Members and other Persons lawfully entitled to inspect the list during regular business hours up to the date of the annual or special meeting. Membership of a Member in the Residential Association shall automatically terminate when such Member ceases to be an Owner; provided, however, that such termination shall not release or relieve such Member from any liability or obligation under the Residential Declaration that was incurred during such Member's period of ownership of a Residence.

**Section 5.3 Proxies.** Votes may be cast by written proxy or by ballot. Written proxies may be submitted by United States mail, delivered to the office of the Residential Association, delivered directly to the Secretary or delivered in such other manner as directed by the Residential Association. A proxy vote shall be defined as a written vote submitted by a Member which either states the specific vote of the Member with, respect to the issues, resolutions or election being voted on by the Members at the annual or special meeting, or which is written permission for the Residential Board of Directors, a specific Director, or another Member to exercise the Member's vote as the Residential Board of Directors or the specific Director sees fit. A proxy shall be valid for the meeting specified in the proxy or any valid continuation of such meeting. Each proxy shall be revocable unless otherwise expressly provided therein

to be irrevocable. No proxy will be valid after 11 months from the date of its execution unless otherwise provided therein.

**Section 5.4 Member in Good Standing.** A Member will be considered a "*Member in Good Standing*" and eligible to vote if such Member:

(a) has, at least 10 days prior to the taking of any vote by the Residential Association, fully paid all Residential Assessments or other Residential Charges that are due and payable;

(b) does not have any notice of unpaid Residential Assessments that has been filed by the Residential Association against the Residence owned by such Member; and

(c) has discharged all other obligations to the Residential Association as may be required of a Member, as an Owner of a Residence under the Residential Governing Documents.

The Residential Board of Directors will have sole authority for determining the good standing status of any Member and shall make such determination prior to a vote being taken by the Residential Association on any matter. The Residential Board of Directors shall have the right and authority, in its sole discretion, to waive the requirement set forth in subsections (a), (b) and (c) of this Section 5.4, and as to subsection (a) of this Section 5.4, require only that such payment be made at any time before such vote is taken if the Residential Board of Directors shall determine in the Residential Board of Director's judgment, that extenuating circumstances exist which have prevented prior payment. Any member not conforming with the provisions of this Section 5.4 shall be declared by the Residential Board of Directors not to be a Member in Good Standing and shall not be entitled to vote on matters before the Residential Association until such time as a Member in Good Standing status is attained and so declared by the Residential Board of Directors.

## ARTICLE VI

### Meetings of the Members of the Residential Association

**Section 6.1 Place of Annual and Special Meetings.** All annual and special meetings of the Members of the Residential Association shall be held at the principal office of the Residential Association or at another suitable and convenient place permitted by law and fixed by the Residential Board of Directors from time to time and designated in the notices of the meetings.

**Section 6.2 Date of Annual Meetings.** The first annual meeting of the Members of the Residential Association shall be held within one year of its formation. Thereafter, annual meetings of the Members of the Residential Association shall be held in January each year on a date as shall be fixed by the Residential Board of Directors by written notice to the Members. The Members may transact any business that may properly come before the meeting.

**Section 6.3 Notice of Annual Meetings.** The Secretary shall mail notices of annual meetings to each Member directed to the most recent post office address provided to the Residential Association by such Member, as shown on the records of the Residential Association, by regular mail, postage prepaid. This notice shall be mailed not less than ten or more than 40 days before the date of the meeting and shall state the date, time and place of the meeting, the purpose or purposes thereof and the items on the agenda, including the specific nature of any proposed amendment or change to the Residential Governing Documents.

**Section 6.4 Special Meeting.** A special meeting of the Members of the Residential Association may be called by the President, a majority of the Directors, or upon presentation to the

Secretary of a petition stating the specific purpose of the special meeting, which petition has been signed by Members having not less than 33% of the aggregate votes entitled to be cast at such meeting.

**Section 6.5 Notice of Special Meetings.** The Secretary shall mail notice of any special meeting of the Members of the Residential Association to each Member in the manner provided in Section 6.3, of these Residential Bylaws. The notice shall state the same items required by Section 6.3 of these Residential Bylaws for notices of annual meetings. No business shall be transacted at any special meeting except as stated in the notice thereof.

**Section 6.6 Quorum.** At any duly convened meeting of the Members of the Residential Association, a quorum shall be present if and when Members in Good Standing holding 40% of the aggregate votes entitled to be cast by the Members, represented at a meeting of the Members in person or by a legitimate proxy in a form approved by the Residential Board of Directors, are present at the beginning of the meeting (a "Quorum").

**Section 6.7 Affirmative Vote.** The vote of the Majority Vote of the Members shall be the act of the Members. A vote may be cast either in person or by proxy, by Members in Good Standing. Cumulative voting shall not be permitted.

**Section 6.8 Agenda.** The agenda at all meetings of the Members of the Residential Association shall include: (a) roll call; (b) proof of notice of meeting or waiver of notice; (c) approval of the minutes of the preceding meeting; (d) reports of officers and committees; (e) election of Directors, if applicable; (f) unfinished business; (g) new business; (h) adjournment.

**Section 6.9 Action without Meeting by Written Ballot.** Any action which may be taken by the vote of the Members at a regular or special meeting, other than the election of Directors, may be taken without a meeting if done in compliance with relevant provisions of the Texas Business Organizations Code. If an action is taken without a meeting, the Residential Board of Directors shall distribute a written ballot to every Member entitled to vote on the matter. The ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Residential Association. Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the Quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the proposal at a regular or special meeting authorizing the action.

**Section 6.10 Administration of Affairs.** Subject to the provisions of the Residential Governing Documents, the Residential Board of Directors shall govern the Residential Association.

## ARTICLE VII

### The Residential Board of Directors

#### Section 7.1 Authority; Number of Directors.

(a) The affairs of the Residential Association shall be governed by the Residential Board of Directors. The Residential Board of Directors shall fix the number of Directors from time to time. The initial Directors shall be three in number and shall be those Directors named in the Residential Certificate of Formation. The initial Directors shall serve until their successors are elected and qualified. Except as is provided in Sections 7.1(b) and 7.1(c) of these Residential Bylaws, Residential Declarant shall have the right to appoint and remove members of the Residential Board of Directors until the termination of Residential Declarant Control. If Residential Declarant voluntarily surrenders control prior to the

termination of the period of Residential Declarant Control, Residential Declarant may require that specified actions of the Residential Board of Directors be subject to Residential Declarant approval until the expiration of the period of Residential Declarant Control.

(b) Not later than 60 days after Residential Declarant has conveyed to Owners other than Residential Declarant title to 25% of the Residences, the Board of Directors may appoint up to two advisory directors who shall be Residence Owners (other than Residential Declarant or its employees). Such advisory directors shall attend all meetings of the Residential Board of Directors (but shall not be permitted to vote thereat) and shall perform such duties and shall assume such obligations as may be delegated to them by the Residential Board of Directors.

(c) Not later than 120 days after Residential Declarant has conveyed to Residence Owners other than Residential Declarant title to 50% of the Residences, an election shall be held by the Residential Association, pursuant to these Residential Bylaws, for the election of not less than one-third of the members of the Residential Board of Directors. The term of the advisory directors shall expire at the meeting at which such newly elected members of the Residential Board of Directors are elected and qualified.

(d) Not later than the termination of the period of Residential Declarant Control, the Association shall elect a Residential Board of Directors consisting of at least three Directors pursuant to these Bylaws of which one will be elected for a three-year term, one will be elected for a two-year term, and one will be elected for a one-year term.

(e) Each Director shall be a Member, or in the case of an entity ownership of a Residence, a duly authorized agent or representative of the entity owner. The entity owner shall be designated as the Director in all correspondence or other documentation setting forth the names of the Directors.

**Section 7.2 Term of Directors and Compensation.** Except as otherwise set forth herein, each Director shall serve for a term of two years and may serve an unlimited number of consecutive terms. Each Director shall continue to hold office until his successor is elected and qualified. The Directors shall serve without compensation for such service.

**Section 7.3 Removal of Directors for Cause.** If a Director breaches such Director's duties hereunder or violates the terms of the Residential Declaration, Residential Rules and Regulations or these Residential Bylaws, such Director may be removed by Residential Declarant during the period of Residential Declarant Control and by a majority vote of the remaining Directors following the expiration of the period of Residential Declarant Control. No Director shall have any voting rights nor may such Director participate in any meeting of the Residential Board of Directors at any time that such Director is delinquent in the payment of any Assessments or other charges owed to the Association. Any Director that is 90 days delinquent in the payment of Residential Assessments or other charges more than three consecutive times shall be removed as a Director.

**Section 7.4 Vacancies on the Residential Board of Directors.** After the period of Residential Declarant Control, if the office of any elected Director shall become vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the remaining Directors, at a special meeting duly called for this purpose, shall choose a successor within ten days of the vacancy. The successor Director shall fill the unexpired term of the directorship being vacated. If there is a deadlock in the voting for a successor by the remaining Directors, the one Director with the longest continuous term on the Residential Board of Directors shall select the successor. At the expiration of the term of his position on the Residential Board of Directors, the successor Director shall be re-elected or his successor shall be elected in accordance with these Residential Bylaws.

**Section 7.5 Removal of Directors by Members.** Subject to the right of Residential Declarant to nominate and appoint Directors as set forth in Section 7.1 of these Residential Bylaws, elected Directors may be removed, with or without cause, by a majority vote of the Members at any special meeting of the Members of which notice has been properly given as provided in these Residential Bylaws; provided the same notice of this special meeting has also been given to the entire Residential Board of Directors, including any individual Director whose removal is to be considered at this special meeting.

**Section 7.6 Organizational Meeting of the Board of Directors.** No later than 20 days following each of (a) the filing of the Residential Certificate of Formation and (b) each annual meeting of the Members of the Residential Association, the Residential Board of Directors shall hold a regular meeting for the purposes of organization, election of officers and transaction of other business. Notice of this meeting shall be given to all Directors in accordance with Section 7.8 of these Residential Bylaws, except for the initial meeting, which shall be called by Residential Declarant.

**Section 7.7 Place of Meetings.** All meetings of the Residential Board of Directors shall be held at the principal office of the Residential Association or at any other place or places designated at any time by resolution of the Residential Board of Directors or by written consent of all of the Directors. A special meeting of the Residential Board of Directors may be held by any means of remote electronic communication, including telephonic, videoconferencing or the internet if each person entitled to participate in the meeting consents to the meeting being held by means of that system, provided that each Director may communicate concurrently with every other Director, and any such meeting may involve consideration of any action, including any action involving a vote on a fine, damage assessment, appeal from a denial of architectural control approval, or suspension of a right of a particular Member before the Member has an opportunity to attend a meeting of the Residential Board of Directors to present the Member's position on the issue.

**Section 7.8 Regular Residential Board of Directors Meetings.** Regular meetings of the Residential Board of Directors may be held at any time and place permitted by law as from time to time may be determined by the Residential Board of Directors. Notice of regular meetings of the Residential Board of Directors shall be given to each Director personally, by telegram, telephone, electronic mail, facsimile or by United States mail, with postage prepaid, directed to him at his last known post office address, as the same appears on the records of the Residential Association, at least ten but not more than 40 days before the date of the meeting. This notice shall state the date, time, place and purpose of the meeting. Special meetings of the Residential Board of Directors may be held by conference telephone; provided, however, at any regular meeting of the Residential Board of Directors, not more than one Director may participate by telephone.

**Section 7.9 Special Meetings of the Residential Board of Directors.** Special meetings of the Residential Board of Directors may be called by the President on his own accord or by the President or the Secretary upon the written request of any one Director, on three days' prior notice to each Director.

**Section 7.10 Waiver of Notice.** Before any meeting of the Residential Board of Directors, whether regular or special, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to giving the required notice. All written waivers shall be filed in the Minute Book or made a part of the minutes of the meeting. Attendance by a Director at any meeting of the Residential Board of Directors shall likewise constitute a waiver by him of the required notice. If all Directors are present at any meeting of the Residential Board of Directors, no notice of the meeting shall be required and any business may be transacted at the meeting except as prohibited by law or these Residential Bylaws.

**Section 7.11 Directors Quorum.** At all duly convened meetings of the Residential Board of Directors, two Directors must be present to constitute a quorum for the transaction of business, except as otherwise expressly provided in these Residential Bylaws subject to the limitations set forth in the Residential Declaration. The acts of a majority of the Directors present at the meeting at which a quorum is present shall be the acts of the Residential Board of Directors.

**Section 7.12 Consent in Writing.** Any action by the Residential Board of Directors, including any action involving a vote on a fine, damage assessment, appeal from a denial of architectural control approval, or suspension of a right of a particular Member before the Member has an opportunity to attend a meeting of the Residential Board of Directors to present the Member's position on the issue, may be taken without a meeting if all of the Directors shall unanimously consent in writing to the action. Such written consent shall be filed in the Minute Book. Any action taken by such written consent shall have the same force and effect as a unanimous vote of the Directors.

**Section 7.13 Records.** The Residential Board of Directors shall cause a complete record of all of its acts and the corporate affairs of the Residential Association to be kept and to present a general report thereof to the Members at each annual meeting of the Members of the Residential Association or at any special meeting of the Members of the Residential Association where a general report is requested in writing by 51% of the Allocated Interests.

**Section 7.14 Powers and Duties.** Subject to the Residential Governing Documents, the Residential Board of Directors shall have and exercise all powers and duties necessary for the proper administration of the affairs of the Residential Association. In the performance of its duties as the governing body of the Residential Association, subject to limitations set forth in the Residential Declaration, the Residential Board of Directors shall have all powers enumerated in Section 82.102 of the Act, and in addition to, those powers and duties set forth in the Act and the Residential Declaration, the Residential Board of Directors shall have powers and duties including, but not limited to, those enumerated below. Each Director individually and the Residential Board of Directors collectively shall perform the duties and powers of the Residential Board of Directors in good faith as a fiduciary of the Residential Association, in a manner which the Director believes to be in the best interest of the Residential Association and with the care of a person of ordinary prudence under similar circumstances, including, but not limited to, reasonable inquiry, skill and diligence.

(a) Duties:

(i) provide for the operation, maintenance, management, insurance, cleaning, sanitation, renewal, replacement, care and upkeep of the Residential Common Elements and all property, real or personal, of the Residential Association;

(ii) determine the Residential Common Expenses and any other charges comprising the operating expenses of the Residential Association, establish the amount of Monthly Assessments, as the same may increase or decrease, and assess the same against the Members in accordance with the provisions of the Residential Declaration and these Residential Bylaws;

(iii) levy and collect, in addition to Monthly Residential Assessments, Special Residential Assessments in amounts which the Residential Board of Directors deems proper, whenever the Residential Board of Directors is of the opinion it is necessary to do so in order to meet increased operating or maintenance costs or additional capital expenses or because of emergencies subject to the limitations specified in the Residential Declaration;

- (iv) levy and collect Individual Residential Assessments in amounts which the Residential Board of Directors deems proper;
- (v) use and expend any sums collected from Monthly Residential Assessments and Special Residential Assessments for the operation, maintenance, renewal, care and upkeep of the Residential Common Elements;
- (vi) maintain the Residential Common Elements;
- (vii) maintain the Reserve Fund out of Monthly Residential Assessments;
- (viii) collect and maintain the fund of Residential Working Capital Contributions;
- (ix) pay all taxes and assessments levied or assessed against any property that may be owned by the Residential Association, exclusive of any taxes or assessments levied against any Member or otherwise properly chargeable to the Member;
- (x) collect delinquent Residential Assessments against any Residence and the Residence Owner thereof, whether by suit or otherwise, and abate any nuisance and enforce the terms of the Residential Declaration and the observance of the Master Regulations and the Residential Rules and Regulations by injunction or other legal action or means which the Residential Board of Directors may deem necessary or appropriate;
- (xi) establish operating, escrow and other accounts in the name of the Residential Association as the Residential Board of Directors may deem appropriate from time to time and as may be consistent with GAAP;
- (xii) adopt a budget for each fiscal year which shall contain estimates of the costs and expenses of the Residential Association and the proposed Monthly Residential Assessments, which initial budget and certain increases shall be approved by Residence Owners as required in the Residential Declaration;
- (xiii) cause a complete review of the books and accounts of the Residential Association to be made by a competent independent public accountant at the end of each fiscal year and at any other time or times deemed necessary;
- (xiv) maintain accounting records in accordance with GAAP and
- (xv) make and enforce compliance with the Master Regulations and the Residential Rules and Regulations relative to the operation, use and occupancy of the Residential Property, including, but not limited to, penalties to be levied for violations of these Residential Bylaws, the Residential Declaration, the Master Regulations and the Residential Rules and Regulations, and to amend the same from time to time as and when approved by appropriate resolutions which shall be binding on the Residence Owners, Residential Tenants and occupants of the Residences, their successors in title and assigns. A copy of the Master Regulations and the Residential Rules and Regulations and copies of any amendments thereto shall be delivered or mailed to each Residence Owner and any Residential Tenant or occupant of a Residence Owner's Residence promptly upon the adoption thereof.

(b) Powers:

(i) employ and dismiss personnel of the Residential Association, and purchase or arrange for those services, machinery, equipment, tools, materials and supplies as, in the opinion of the Residential Board of Directors, may from time to time be necessary for the proper operation and maintenance of the Residential Common Elements;

(ii) subject to Section 7.18 of these Residential Bylaws, enter into contracts for professional management of the Residential Property and the Residential Association, at such prices and upon such terms as may be determined by the Residential Board of Directors, to perform those duties and services which the Residential Board of Directors may lawfully delegate;

(iii) employ or retain and receive advice from professional counsel and consultants, including, but not limited to, landscape architects, architects, engineers, planners, biologists, lawyers and accountants, which the Residential Board of Directors may deem necessary for any proper purposes of the Residential Association, and fix the compensation for professional advice or services, including, but not limited to, those hereinbefore or hereinafter referred to in these Residential Bylaws. The Residential Board of Directors shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following: (A) one or more officers or employees of the Residential Association whom the Residential Board of Directors reasonably believes to be reliable and competent in the matter presented; (B) counsel, public accountants or other Persons as to the matters which the Residential Board of Directors reasonably believes to be within the professional or expert competence of this Person and (C) a committee of the Residential Board of Directors duly designated in accordance with law, as to matters within its designated authority, which committee the Residential Board of Directors reasonably believes to merit confidence. The Residential Board of Directors shall not be considered to be acting in good faith if it has knowledge concerning the matter in question that would cause this reliance to be unwarranted;

(iv) name as an insured, on behalf of the Residential Association, the Residential Association's authorized representative, including any trustee with which the Residential Association may enter into any insurance trust agreement or any successor to this trustee (each of which shall be referred to herein as the "*Insurance Trustee*"), to be given exclusive authority to negotiate losses under any policy providing property or liability insurance coverage. The Residential Association or any Insurance Trustee or substitute Insurance Trustee designated by the Residential Association shall have the exclusive power to act as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including the collection and appropriate disposition of the proceeds thereof, the negotiation of losses, execution of releases of liability and the execution of all documents and the performance of all other acts necessary to accomplish these purposes;

(v) establish depositories for the funds of the Residential Association with the bank or banks as shall be designated from time to time by the Residential Board of Directors and in which monies of the Residential Association shall be deposited. Withdrawal of monies shall be only by check signed by those Persons who are authorized by the Residential Board of Directors to sign checks on behalf of the Residential Association;

(vi) invest monies of the Residential Association in any investments which the Residential Board of Directors deems to be reasonably prudent;



(vii) borrow and repay monies and give notes, mortgages or other security upon the terms which are deemed reasonable by the Residential Board of Directors;

(viii) acquire by purchase, gift, annexation or lease, real or personal property, if, at any time in the future, the Residential Board of Directors deems it to be proper and not inconsistent with the terms hereof to do so;

(ix) grant and reserve easements, leases, licenses or concessions where necessary or desirable for utilities, routes of ingress and egress, or any other purpose, over the Residential Common Elements and to amend the Residential Map to show such interests;

(x) establish a form of estoppel certificate acceptable to the Residential Association for delivery to prospective purchasers and lenders and an appropriate charge for furnishing such certificate and

(xi) do all things incidental and necessary to the accomplishment of the foregoing.

The duties and powers imposed on the Residential Board of Directors by this Section shall not be amended so as to reduce, eliminate or expand any duties or powers of the Residential Board of Directors without the Majority Vote of the votes of the Members voting at the meeting called to consider such amendment.

**Section 7.15 Liability; Conduct of Directors and Officers.** No Member, Director, officer or representative of the Residential Association shall be personally liable for debts or liabilities of the Residential Association. A Director or officer is not liable to the Residential Association, any Member or any other person for an action taken or omission made or mistake in judgment by the Director or officer in the Person's capacity as a Director or officer, whether negligent or otherwise, unless the Director or officer's conduct was not exercised: (a) in good faith, (b) with ordinary care, and (c) in a manner that the Director or officer reasonably believed to be in the best interest of the Residential Association. The liability of officers and Directors of the Residential Association shall, to the fullest extent permitted by law, be limited by the Charitable Immunity and Liability Act of 1987, Chapter 84, Texas Civil Practice and Remedies Code, as amended.

**Section 7.16 Annual Budget and Assessments.** Copies of the Residential Budget for the next fiscal year of the Residential Association shall be prepared by the Residential Board of Directors and distributed to all Members at least 30 days prior to the beginning of each fiscal year of the Residential Association and shall be available to all Members for inspection during regular business hours at the Residential Association's office. If the Residential Budget is subsequently amended before the Assessments are made, a copy of the amended Residential Budget shall also be distributed and made available for inspection. Reserves shall include reasonable amounts to be credited, allocated or accumulated for replacement of those Residential Common Area improvements or facilities that require replacement, renovation or rehabilitation periodically. Subject to the provisions of the Residential Declaration, nothing herein contained shall be construed as restricting the right of the Residential Board of Directors, at any time and in its sole discretion, to levy a Special Assessment in the event that the budget as originally adopted shall appear to be insufficient to pay the cost of the operation or management of the Residential Property or in the event of emergencies.

**Section 7.17 Management Certificate.** If the Residential Board of Directors determine that it is in the best interest of the Residential Association to hire a Manager for the Residential Property in accordance with Section 7.18 of these Residential Bylaws, the Residential Association shall record in the County a certificate, signed and acknowledged by an officer of the Residential Association stating:

- (a) the name of the Residential Condominium;
- (b) the name of the Residential Association;
- (c) the location of the Residential Condominium;
- (d) the recording data for the Residential Declaration;
- (e) the mailing address of the Residential Association, or the name and mailing address of the Person managing the Residential Association and
- (f) other information the Residential Association considers appropriate.

A corrected certificate shall be recorded within 30 days after the Residential Association receives notice of a change in any of the information listed in (a) through (e) herein.

**Section 7.18 Manager.** To facilitate management of the Residential Property and the administration of the Residential Association, the Residential Board of Directors may delegate to a Residential Manager responsibility for matters of a routine nature, renewable by agreement of the parties thereto for successive one year periods only, and shall be subject to termination by, either party with or without cause and without payment of a termination fee upon not more than 30 days' prior written notice. After a Residential Manager has been appointed, no decision by the Residential Association to manage its own affairs without a Residential Manager shall be effective unless and until approved by an affirmative vote of the Members holding not less than 100% of the votes allocated by the Residential Declaration.

**Section 7.19 Open Meeting.** Meetings of the Members of the Residential Association and the Residential Board of Directors shall be open to all Members. Subject to applicable law, the Residential Board of Directors shall have the right to adjourn a meeting and reconvene in private, closed executive session to consider any actions involving personnel, pending litigation, contract negotiations, or enforcement actions, or upon the request of an affected party, or to consider matters that are confidential in the opinion of the Residential Board of Directors; provided, however, the Residential Board of Directors shall announce the general nature of the business to be considered in such executive session prior to adjourning the meeting.

## ARTICLE VIII

### Officers

**Section 8.1 Officers.** The officers of the Residential Association shall be a President, one or more Vice Presidents, a Secretary and Treasurer. The same individual may not hold the offices of President and Secretary. The Secretary may be eligible to hold the office of Treasurer. The President and Secretary shall not be representatives of the same entity Owner. The President and Treasurer must also be Directors. The Secretary need not be a Director.

**Section 8.2 Election.** Except as set forth herein, the officers of the Residential Association shall be elected annually by the Residential Board of Directors at the organizational meeting held pursuant to Section 7.6 of these Residential Bylaws and shall hold office until their successors are elected or appointed by the Residential Board of Directors; provided that each officer may be removed, either with or without cause, whenever in the best interest of the Residential Association, and his successor elected by the affirmative vote of a majority of the Directors at any annual or special meeting of the Residential Board of Directors called for that purpose. The President and Secretary shall each serve for a term of two years and the remaining officers shall serve for a term of one year, The Residential Board of

Directors may, from time-to time, appoint other officers who, in its judgment, are necessary. Any officer may resign at any time by giving written notice to the Residential Board of Directors or to the President or Secretary of the Residential Association. Any resignation shall take effect as of the date of the receipt of this notice or any later time specified therein; unless specified therein, the acceptance of a written resignation shall not be necessary to make it effective.

**Section 8.3 Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Residential Bylaws for regular appointments to that office.

**Section 8.4 President.** The President shall be the chief executive officer of the Residential Association and shall preside at all meetings of the Members of the Residential Association and the Residential Board of Directors. The President shall have the general powers and duties usually vested in the office of the president of a community association, including, but not limited to, the power to appoint committees from the Members from time to time as he may deem appropriate to assist in the conduct of the affairs of the Residential Association; provided, however, no such committee shall have the right to exercise the full authority of the Residential Board of Directors. The President shall be an ex-officio member of all standing committees, if any. The President shall execute deeds, contracts and other instruments, in the name and on behalf of the Residential Association and under its corporate seal when a seal is required, except when these documents are required or permitted by law to be otherwise executed, and except when the signing and execution thereof shall be delegated by the Residential Board of Directors to another officer or agent of the Residential Association.

**Section 8.5 Vice President.** In the absence of the President or in the event of the President's inability or refusal to act, a Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all of the restrictions upon the President. Any Vice President shall have only such powers and perform only such duties as the Residential Board of Directors may from time to time prescribe or as the officers may from time to time delegate.

**Section 8.6 Secretary.** The Secretary shall attend all meetings of the Residential Board of Directors and all meetings of the Members of the Residential Association and record all votes and the minutes of all meetings and proceedings, including resolutions, in the Minute Book. The Secretary shall perform the same duties for any committees when required. The Secretary shall have charge and custody of the Minute Book, the records of the Residential Association and any papers which the Residential Board of Directors shall direct the Secretary to keep; shall perform all duties incident to the office of Secretary, including, but not limited to, the sending of notice of meetings to the Members, the Directors and members of any committees, and shall perform any other duties which may be prescribed by these Residential Bylaws or by the Residential Board of Directors or the President. The Secretary shall also have custody of the corporate seal and shall affix the same to any instrument requiring it when authorized by the Residential Board of Directors and shall attest or certify the same when appropriate. The Secretary shall keep, or cause to be kept, at the principal office of the Residential Association, a membership register showing the following: (a) the names and addresses of all Directors; (b) the names and addresses of all Members as provided by the Members; (c) the Residence that is owned by each Member and (d) the vote of each Member. The Secretary shall prepare, execute and cause the recordation of amendments to the Residential Declaration on behalf of the Residential Association except when the preparation, execution and recordation thereof shall be delegated by the Residential Board of Directors to another officer or agent of the Residential Association. Nothing shall prohibit the functions of the Secretary to be delegated to an agent of the Residential Association provided this delegation is approved by resolution of the Residential Board of Directors. The delegation of the duties of the Secretary shall not relieve the Secretary from any responsibility related to overseeing and reviewing any duties performed by the agent.

**Section 8.7 Treasurer.** The Treasurer shall have the responsibility for the Residential Association's funds and securities, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Residential Association, and shall deposit all monies, checks and other valuable effects in the name of and to the credit of the Residential Association in those depositories which may be designated from time to time by the Residential Board of Directors. The Treasurer shall disburse the funds of the Residential Association, as the Treasurer may be ordered to do from time to time by the Residential Board of Directors or by the President, and shall render to the President and the Directors at the regular meetings of the Residential Board of Directors, or whenever they or either of them shall require, an account of his transactions as Treasurer and of the financial condition of the Residential Association. Nothing shall prohibit the functions of the Treasurer to be delegated to an agent of the Residential Association provided this delegation is approved by resolution of the Residential Board of Directors. The delegation of the duties of the Treasurer shall not relieve the Treasurer from any responsibility related to overseeing and reviewing any duties performed by the agent.

**Section 8.8 Compensation.** The officers of the Residential Association shall serve without compensation except that they shall be entitled to reimbursement for all expenses reasonably incurred in the discharge of their duties.

**ARTICLE IX**  
**Indemnification of Directors,**  
**Officers and Other Authorized Representatives**

**Section 9.1 General Indemnification.** The Residential Association shall indemnify an individual who was, is, or is threatened to be made a named defendant or respondent in a Proceeding because the individual is or was a Director only if it is determined in accordance with Section 9.5 of these Residential Bylaws that the individual: (1) conducted himself or herself in good faith; (2) reasonably believed: (a) in the case of conduct in such individual's Official Capacity as a Director of the Residential Association, that his conduct was in the Residential Association's best interests and (b) in all other cases, that his conduct was at least not opposed to the Residential Association's best interests and (3) in the case of any criminal Proceeding, had no reasonable cause to believe that his conduct was unlawful.

**Section 9.2 Personal Interest or Liability.** A Director shall not be indemnified by the Residential Association as provided in Section 9.1 of these Residential Bylaws for obligations resulting from a Proceeding: (1) in which the Director is found liable on the basis that personal benefit was improperly received by him, whether or not the benefit resulted from an action taken in the individual's Official Capacity; or (2) in which the individual is found liable to the Residential Association, except to the extent permitted in Section 9.4 of these Residential Bylaws.

**Section 9.3 Final Judgment Required.** The termination of a Proceeding by judgment, order, settlement, or conviction or on a plea of *nolo contendere* or its equivalent is not of itself determinative that the individual did not meet the requirement set forth in Section 9.1 of these Residential Bylaws. An individual shall be deemed to have been found liable in respect of any claim, issue or matter only after the individual shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom or after such judgment becomes final and non-appealable.

**Section 9.4 Limited Indemnification.** An individual may be indemnified by the Residential Association as provided in Section 9.1 of this Article IX against judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses, including court costs and attorneys fees actually incurred by the individual in connection with a Proceeding; but if the individual is found liable to the Residential Association or is found liable on the basis that personal benefit was improperly received by the individual, the indemnification (1) is limited to reasonable expenses actually incurred by the

individual in connection with the Proceeding including court costs and attorneys fees and (2) shall not be made in respect of any Proceeding in which the person shall have been found liable for willful or intentional misconduct in the performance of his or her duty to the Residential Association.

**Section 9.5 Determination of Indemnification.** A determination of indemnification under Section 9.1 of these Residential Bylaws must be made: (1) by a majority vote of a quorum of Directors who at the time of the vote are not named defendants or respondents in the Proceeding; (2) if such a quorum cannot be obtained, by a majority vote of a committee of the Residential Board of Directors, designated to act in the matter by a majority vote of all Directors, consisting solely of two or more Directors who at the time of the vote are not named defendants or respondents in the Proceeding; or (3) by special legal counsel selected by the Residential Board of Directors or a committee of the Residential Board of Directors by vote as set forth in subsection (1) or (2) of this Section 9.5, or, if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all Directors.

**Section 9.6 Authorization and Determination of Reasonableness of Expenses.** Authorization of indemnification and determination as to reasonableness of expenses (including court costs and attorneys fees) must be made in the same manner as the determination that indemnification is permissible, except that if the determination that indemnification is permissible is made by special legal counsel, authorization of indemnification and determination as to reasonableness of expenses (including court costs and attorneys fees) must be made in the manner specified by subsection (3) of Section 9.5 of these Residential Bylaws for the selection of special legal counsel. A provision contained in Residential Certificate of Formation, the Residential Bylaws, a resolution of the Residential Board of Directors or an agreement that makes mandatory the indemnification described in Section 9.1 of these Residential Bylaws shall be deemed to constitute authorization of indemnification in the manner required herein, even though such provision may not have been adopted or authorized in the same manner as the determination that indemnification is permissible.

**Section 9.7 Success in a Proceeding.** The Residential Association shall indemnify a Director against reasonable expenses (including court costs and attorneys fees) incurred by him in connection with a Proceeding in which he is a named defendant or respondent because he is or was a Director if he has been wholly successful on the merits or otherwise, in the defense of the Proceeding.

**Section 9.8 Court Determination of Indemnification.** If, upon application of a Director, a court of competent jurisdiction determines, after giving any notice the court considers necessary, that the Director is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not he has met the requirements set forth in Section 9.1 of these Residential Bylaws or has been found liable in the circumstances described in Section 9.2 of these Residential Bylaws, the Residential Association shall indemnify the Director to such further extent as the court shall determine; but if the individual is found liable to the Residential Association or is found liable on the basis that personal benefit was improperly received by the individual, the indemnification shall be limited to reasonable expenses (including court costs and attorneys fees) actually incurred by the individual in connection with the Proceeding.

**Section 9.9 Advancing Director Expenses.** Reasonable expenses (including court costs and attorneys fees) incurred by a Director who was, is, or is threatened to be made a named defendant or respondent in a Proceeding may be paid or reimbursed by the Residential Association in advance of the final disposition of the Proceeding and without the determination specified in Section 9.5 of these Residential Bylaws or the authorization or determination specified in Section 9.6 of these Residential Bylaws after the Residential Association receives a written affirmation by the Director of his good faith belief that he has met the standard of conduct necessary for indemnification under this Article IX and a written undertaking by or on behalf of the Director to repay the amount paid or reimbursed if it is

ultimately determined that he has not met that standard or it is ultimately determined that indemnification of the Director against expenses (including court costs and attorneys fees) incurred by him in connection with that Proceeding is prohibited by Section 9.4 of these Residential Bylaws. A provision contained in the Residential Certificate of Formation, these Residential Bylaws, a resolution of the Residential Board of Directors, or an agreement that makes mandatory the payment. or reimbursement permitted under this Section 9.9 shall be deemed to constitute authorization of that payment or reimbursement.

**Section 9.10 Repayment of Expenses by Director.** The written undertaking required by Section 9.9 of these Residential Bylaws must be an unlimited general obligation of the Director but need not be secured. It may be accepted without reference to financial ability to make repayment.

**Section 9.11 Witness Expenses.** Notwithstanding any other provision of this article, the Residential Association may pay or reimburse expenses (including attorneys fees) incurred by a Director in connection with his appearance as a witness or other participation in a Proceeding at a time when he is not a named defendant or respondent in the Proceeding.

**Section 9.12 Officer Indemnification.** An officer of the Residential Association shall be indemnified by the Residential Association as and to the same extent provided for a Director by Sections 9.1, 9.6, 9.7 and 9.8 of these Residential Bylaws and is entitled to seek indemnification under those Sections to the same extent as a Director. The Residential Association may indemnify and advance expenses (including court costs and attorneys fees) to an officer, employee or agent of the Residential Association to the same extent that it may indemnify and advance expenses (including court costs and attorneys fees) to directors under this article.

**Section 9.13 Indemnification of Others.** The Residential Association may indemnify and advance expenses (including court costs and attorneys fees) to individuals who are not or were not officers, employees, or agents of the Residential Association but who are or were serving at the request of the Residential Association as a Director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic Residential Association, partnership, joint venture, sole proprietorship, trust or other enterprise to the same extent that it may indemnify and advance expenses (including court costs and attorneys fees) to Directors under this Article IX.

**Section 9.14 Advancing Expenses for Others.** The Residential Association may indemnify and advance expenses (including court costs and attorneys fees) to an officer, employee, agent, or individual identified in Section 9.13 of these Residential Bylaws and who is not a Director to such farther extent, consistent with. law, as may be provided by the Residential Certificate of Formation, these Residential Bylaws, general or specific action of the Residential Board of Directors or contract or as permitted or required by common law.

**Section 9.15 Insurance Authorized.** The Residential Association may purchase and maintain insurance or another arrangement on behalf of any individual who is or was a Director, officer, employee or agent of the Residential Association or who is or was serving at the request of the Residential Association as a Director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic Residential Association, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, against any liability asserted against him and incurred by him in such a capacity or arising out of his status as such a Person, whether or not the Residential Association would have the power to indemnify him against that liability under this Article IX. Without limiting the power of the Residential Association to procure or maintain any kind of insurance or other arrangement, the Residential Association may, for the benefit of individuals indemnified by the Residential Association: (1) create a trust fund; (2) establish any form of self-insurance; (3) secure its indemnity obligations by grant of a security interest or other lien on the assets of

the Residential Association; or (4) establish a letter of credit, guaranty or surety agreement. The insurance or other arrangement may be procured, maintained or established within the Residential Association or with any insurer or other individual deemed appropriate by the Residential Board of Directors, regardless of whether all or part of the stock or other securities of the insurer or other Person are owned in whole or part by the Residential Association. In the absence of fraud, the judgment of the Residential Board of Directors as to the terms and conditions of the insurance or other arrangement and the identity of the insurer or other Person participating in an arrangement shall be conclusive, and the insurance or arrangement shall not be voidable and shall not subject the Directors approving the insurance or arrangement to liability, on any ground, regardless of whether Directors participating in the approval are beneficiaries of the insurance or arrangement. Notwithstanding the provisions of this Section 9.15 in the event of any conflict between the provisions of this Section 9.15 and the provisions of the Residential Declaration, the provisions of the Residential Declaration shall control.

**Section 9.16 Indemnification Prohibited by the Residential Declaration.** Notwithstanding any provision of this Article IX to the contrary, no indemnification shall be authorized by or provided under this Article IX for any act in violation of any Legal Requirements.

## ARTICLE X

### Residential Association Books and Records

The Residential Association shall keep or cause to be kept (a) detailed financial records of the Residential Association in sufficient detail to enable the Residential Association to prepare a resale certificate in accordance with the provisions of Section 82.157 of the Act, (b) the plans and specifications used to construct the Master Condominium, and any separate plans and specifications used to construct the Residential Condominium (c) the name and mailing address of each Owner of a Residence; (d) voting records, proxies and correspondence relating to all amendments to the Residential Declaration and (e) the minutes of all meetings of the Members of the Residential Association and the Residential Board of Directors. All books and records of the Residential Association shall be available for inspection by the Residence Owners, Residential Mortgagees and their respective agents and representatives, during normal business hours. All books and records of the Residential Association shall be kept in accordance with GAAP, consistently applied, and shall be audited at least once a year by an independent certified public accountant. If requested in writing by a Member or Residential Mortgagee, the Residential Association shall furnish such requesting Member or Residential Mortgagee copies of the audited financial statements of the Residential Association within 90 days following the end of each fiscal year of the Residential Association. The Residential Board of Directors shall further make available for the inspection by Members, Residential Mortgagees and their respective agents and representatives, during normal business hours, the current version of the Residential Governing Documents and all other documents affecting the Residential Association, the Residence Owners, or the Residential Property, as well as all amendments thereto and revisions thereof. Declarant shall furnish copies of the information set forth in this Section to the Residential Association on the date the first Residence is conveyed to a Residence Owner. For purposes of this paragraph, "available" shall mean available for inspection, upon reasonable advance request of not less than 24 hours, during regular business hours at the office of the Residential Association or the office of a Manager of the Residential Association. The cost of any copies shall be reimbursed to the Residential Association at a rate set by the Residential Board of Directors.

## ARTICLE XI

### Winding Up and Termination

Upon winding up of the Residential Association, the real and personal property of the Residential Association shall be distributed pursuant to the provision of the Residential Certificate of Formation or, if

no such provision is made, distributed to one or more organizations which are exempt from taxation under Section 501(c)(3) of the Code.

## **ARTICLE XII**

### **Miscellaneous**

**Section 12.1 Fiscal Year.** The fiscal year of the Residential Association shall be the calendar year unless the Residential Board of Directors shall determine otherwise.

**Section 12.2 Amendments to Residential Bylaws.**

(a) These Residential Bylaws may be amended from time to time by the Majority Vote of the Members voting at a meeting called to consider such amendment.

(b) Members must be given notice of the meeting required by Section 12.2(a) of these Residential Bylaws not less than ten or more than 20 days preceding the date of the meeting. Any such notice shall include the specific amendment or other change proposed to be made to these Residential Bylaws.

**Section 12.3 Inspection of Residential Bylaws.** The Residential Association shall keep in its principal office the original or a copy of these Residential Bylaws, as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the Members during normal business hours.

**Section 12.4 Membership Minutes.** The membership register and the Minute Book shall be open to inspection within one business day of demand of any Member during the normal business hours of the Residential Association, for purposes reasonably related to the interests of such Member.

**Section 12.5 Construction.** Number and gender as used in these Residential Bylaws shall extend to and include both singular and plural and all genders as the context and construction require.

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Adopted as of 4-17, 2007.

Shanna Teague  
Shanna Teague, Treasurer

THE STATE OF TEXAS

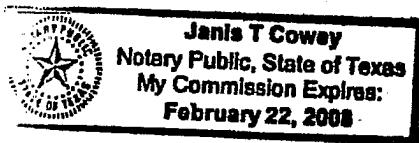
COUNTY OF TRAVIS

§  
§  
§

This instrument was acknowledged before me on the 17 day of April, 2007, by \_\_\_\_\_ of THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.

Janis Cowey  
Notary Public - State of Texas

My Commission Expires:



RESIDENTIAL BYLAWS



FILED <sup>PAGE 20</sup> AND RECORDED  
OFFICIAL PUBLIC RECORDS

Dana Debeauvoir  
DANA DEBEAUVOIR, COUNTY CLERK  
TRAVIS COUNTY, TEXAS

March 22 2010 12:58 PM

FEE: \$ 108.00 2010038507



**SECRETARY'S CERTIFICATION**  
**THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.**

*bb [signature]*

**APRIL 12, 2010**

I, the undersigned, pursuant to Texas Property Code §202.006 do hereby certify:

- A. That I am the duly elected and acting Secretary of The Sabine on Fifth Residential Condominium Association, Inc., a Texas non-profit corporation ("Residential Association");
- B. That the Residential Condominium Declaration for The Sabine on Fifth Residential Condominium was recorded on April 30, 2007 in Instrument Number 2007076120 of the Official Public Records of Travis County, Texas ("Residential Declaration"), and the First Amendment to Residential Condominium Declaration for The Sabine on Fifth Residential Condominium was recorded on January 5, 2010 in Instrument Number 201001368 of the Official Public Records of Travis County, Texas ("First Amendment to Residential Declaration");
- C. That in addition to the Residential Declaration and the First Amendment to Residential Declaration, attached are the current documents that apply to the operation and utilization of property within The Sabine on Fifth Residential Condominium in Travis County, Texas.
  - a. That the property affected by these documents is set forth on the attached Exhibit "A."
  - b. That in addition to the Residential Declaration and First Amendment to Residential Declaration, the documents which affect the use and operation of The Sabine on Fifth Residential Condominium are set out on the attached Exhibit "B."
  - c. That the attached documents are true and correct copies of the originals and were duly adopted by the Association.

**[Signature page to follow.]**

IN WITNESS WHEREOF, I have subscribed my name, as Secretary of the Association,  
executed as of the first date written above.

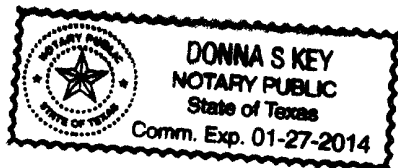
The Sabine on Fifth Residential Condominium  
Association, Inc.,  
a Texas non-profit corporation

By: Candy Cobb  
Name: Candy Cobb  
Title: Secretary

STATE OF TEXAS                   §  
  §  
COUNTY OF Travis           §

This instrument was acknowledged before me on this 15<sup>th</sup> day of April, 2010, by  
Candy Cobb, Secretary of The Sabine on Fifth Residential  
Condominium Association, Inc., a Texas non-profit corporation, on behalf of said corporation.

Donna S. Key  
Notary Public, State of Texas



## **EXHIBIT A**

### **Legal Description**

[See attached legal description.]

# The Sabine on Fifth Residential Condominium

## Exhibit "A"

### Property Description

ALL THAT CERTAIN PARCEL OR TRACT OF LAND CONTAINING 0.3467 ACRE (15,103 SQUARE FEET) OUT OF THE ORIGINAL CITY OF AUSTIN IN TRAVIS COUNTY, TEXAS AS RECORDED ON A MAP OR PLAT ON FILE AT THE GENERAL LAND OFFICE AND THE STATE ARCHIVE OF THE STATE OF TEXAS, BEING ALL OF THAT CERTAIN LOT 1, IN BLOCK NO. 62 OF SAID ORIGINAL CITY OF AUSTIN, BEING ALL OF THAT CERTAIN LOT 2 OF THE AMENDED PLAT OF LOTS 2 AND 3, BLOCK NO. 62 OF THE ORIGINAL CITY OF AUSTIN, (A SUBDIASION RECORDED IN VOLUME 94, PAGES 236-238 OF THE PLAT RECORDS OF SAID COUNTY'), AND BEING A PORTION OF THAT CERTAIN VACATED 20 FOOT ALLEY (VACATED BY CITY ORDINANCE NO. 830526--J RECORDED IN VOLUME 8390, PAGE 78 OF SAID REAL PROPERTY RECORDS) BEING ALL OF THAT CERTAIN 14,514 SQUARE FOOT TRACT OF LAND DESCRIBED AS "TRACT ONE" AND ALL OF THAT CERTAIN 589 SQUARE FOOT TRACT OF LAND DESCRIBED AS "TRACT TWO" IN A WARRANTY DEED TO AUSTIN WALLER CREEK, LTD. RECORDED IN VOLUME 12366, PAGE 1620 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A BRASS DISK FOUND IN CONCRETE AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF A 80 FOOT WDE PUBLIC ROAD KNOWN AS EAST FIFTH STREET, BEING 40 FEET NORTH OF AND PARALLEL WITH THE CENTER LINE OF SAID EAST FIFTH STREET (AS DEFINED BY CITY ORDINANCE IN MINUTE BOOK 4, PAGE 508 ON FILE WITH THE CITY CLERK'S OFFICE) WITH THE EAST RIGHT-OF-WAY LINE OF AN 80 FOOT WDE PUBLIC ROAD KNOWN AS SABINE STREET, AT THE SOUTHWEST CORNER OF SAID BLOCK NO. 62, BEING THE SOUTHWEST CORNER OF SAID LOT 1 BEING THE SOUTHWEST CORNER OF SAID 14,514 SQUARE FOOT TRACT FOR THE SOUTHWEST CORNER AND PLACE OF BEGINNING HEREOF;

THENCE WITH SAID EAST RIGHT-OF-WAY LINE OF SABINE STREET, BEING THE WEST LINE OF SAID LOT 1, NORTH 19 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 128.09 FEET TO A BRASS DISK FOUND AT THE INTERSECTION OF SAID EAST RIGHT-OF-WAY LINE WITH THE SOUTH LINE OF A 20 FOOT ALLEY, BEING THE NORTHWEST CORNER OF SAID LOT 1, BEING THE NORTHWEST CORNER OF SAID 14,514 SQUARE FOOT TRACT FOR THE NORTHWEST CORNER HEREOF;

THENCE WITH SAID SOUTH LINE, BEING THE NORTH LINE OF SAID LOT 1, SOUTH 71 DEGREES 03 MINUTES 57 SECONDS EAST, A DISTANCE OF 69.00 FEET TO THE NORTHEAST CORNER OF SAID LOT 1, BEING THE NORTHWEST CORNER OF SAID LOT 2, BEING THE SOUTHWEST CORNER OF SAID 20 FOOT ALLEY (VACATED BY CITY ORDINANCE NO. 830526--J RECORDED IN VOLUME 8390, PAGE 78 OF SAID REAL PROPERTY RECORDS), BEING THE SOUTHWEST CORNER OF SAID 589 SQUARE FOOT TRACT FOR AN INTERIOR ELL CORNER HEREOF;

THENCE WITH THE WEST LINE OF SAID 20 FOOT ALLEY (VACATED BY CITY ORDINANCE NO. 830526--J RECORDED IN VOLUME 8390, PAGE 78 OF SAID REAL PROPERTY RECORDS) BEING THE WEST LINE OF SAID 589 SQUARE FOOT TRACT, NORTH 19 DEGREES 00 MINUTES 00 SECONDS EAST, A DISTANCE OF 20.00 FEET TO A 1/2 IRON ROD FOUND IN A ROCK RETAINER WALL ON THE NORTH LINE OF SAID 20 FOOT ALLEY IN SAID BLOCK NO. 62, AT THE NORTHWEST CORNER OF SAID PORTION OF THE 20 FOOT ALLEY (VACATED BY CITY ORDINANCE NO. 830526--J RECORDED IN VOLUME 8390, PAGE 78 OF SAID REAL PROPERTY RECORDS), BEING THE NORTHWEST CORNER OF SAID 589 SQUARE FOOT TRACT, BEING THE SOUTHWEST CORNER OF THAT CERTAIN LOT 7 OF SAID BLOCK NO. 62, BEING THE SOUTHEAST CORNER OF THAT CERTAIN LOT 8 OF SAID BLOCK NO. 62, FOR THE NORTH CORNER HEREOF;

# The Sabine on Fifth Residential Condominium

## Exhibit "A"

### Property Description

THENCE WITH SAID NORTH LINE, BEING THE SOUTH LINE OF SAID LOT 7, SOUTH 71 DEGREES 03 MINUTES 57 SECONDS EAST, A DISTANCE OF 27.95 FEET TO A POINT IN THE APPROXIMATE CENTERLINE OF WALLER CREEK AT THE NORTHEAST CORNER OF SAID 589 SQUARE FOOT TRACT, BEING THE NORTHWEST CORNER OF THAT CERTAIN 1075 SQUARE FOOT TRACT OF LAND DESCRIBED IN "EXHIBIT A" OF A DEED WITHOUT WARRANTY TO WALLER HOTEL G.P., INC. RECORDED IN VOLUME 12365, PAGE 1704 OF THE DEED RECORDS OF SAID COUNTY, FOR THE NORTHEAST CORNER HEREOF;

THENCE WITH SAID CENTERLINE OF WALLER CREEK, SOUTH 09 DEGREES 57 MINUTES 56 SECONDS WEST, A DISTANCE OF 20.25 FEET TO A POINT ON THE SOUTH LINE OF SAID PORTION OF THE 20 FOOT ALLEY (VACATED BY CITY ORDINANCE NO. 830526--J RECORDED IN VOLUME 8390, PAGE 78 OF SAID REAL PROPERTY RECORDS), AT THE NORTHEAST CORNER OF SAID LOT 2, BEING THE NORTHWEST CORNER OF THAT CERTAIN LOT 3 OF SAID AMENDED PLAT, BEING THE SOUTHWEST CORNER OF SAID 589 SQUARE FOOT TRACT, BEING THE SOUTHWEST CORNER OF SAID 1075 SQUARE FOOT TRACT FOR AN ANGLE POINT HEREOF;

THENCE CONTINUING WITH SAID APPROXIMATE CENTERLINE OF WALLER CREEK, BEING THE EAST LINE OF LOT 2 OF SAID AMENDED PLAT, BEING THE WEST LINE OF LOT 3 OF SAID AMENDED PLAT SOUTH 07 DEGREES 16 MINUTES 11 SECONDS WEST, A DISTANCE OF 130.76 FEET TO A POINT IN SAID NORTH RIGHT-OF-WAY LINE OF EAST FIFTH STREET AT THE SOUTHEAST CORNER OF LOT 2 OF SAID AMENDED PLAT, BEING THE SOUTHWEST CORNER OF LOT 3, OF SAID AMENDED PLAT, FOR THE SOUTHEAST CORNER HEREOF, FROM WHICH THE SOUTHWEST CORNER OF THAT CERTAIN LOT 4 OF SAID BLOCK NO. 62 OF THE ORIGINAL CITY OF AUSTIN BEARS, SOUTH 71 DEGREES 04 MINUTES 45 SECONDS EAST, A DISTANCE OF 90.56 FEET;

THENCE WITH SAID NORTH RIGHT-OF-WAY LINE, NORTH 71 DEGREES 04 MINUTES 45 SECONDS WEST, A DISTANCE OF 57.62 FEET TO A 1/2 INCH DIAMETER IRON ROD FOUND AT THE SOUTHWEST CORNER OF SAID LOT 2, BEING THE SOUTHEAST CORNER OF SAID LOT 1;

THENCE CONTINUING WITH SAID NORTH RIGHT-OF-WAY LINE, NORTH 71 DEGREES 04 MINUTES 45 SECONDS WEST, A DISTANCE OF 69.00 FEET TO THE PLACE OF BEGINNING AND CONTAINING A CALCULATED AREA OF 15,103 SQUARE FEET OF LAND, MORE OR LESS.

## **EXHIBIT B**

### **Documents**

- 1) Certificate of Formation of The Sabine on Fifth Residential Condominium Association, Inc.
- 2) Residential Bylaws of The Sabine on Fifth Residential Association, Inc.
- 3) Rules and Regulations

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



Roger Williams  
Secretary of State

## Office of the Secretary of State

April 16, 2007

Capitol Services Inc  
P O Box 1831  
Austin, TX 78767 USA

RE: The Sabine on Fifth Residential Condominium Association, Inc.  
File Number: 800801983

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

Nonprofit corporations do not automatically qualify for an exemption from federal and state taxes. Shortly, the Comptroller of Public Accounts will be contacting the corporation at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the corporation. If you need to contact the Comptroller about franchise taxes or exemption therefrom, you may contact the agency by calling (800) 252-1381, by e-mail to [tax.help@cpa.state.tx.us](mailto:tax.help@cpa.state.tx.us) or by writing P. O. Box 13528, Austin, TX 78711-3528. Telephone questions regarding other business taxes, including sales taxes, should be directed to (800) 252-5555. Information on exemption from federal taxes is available from the Internal Revenue Service.

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

If we can be of further service at any time, please let us know.

Sincerely,

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

*Come visit us on the internet at <http://www.sos.state.tx.us/>*

Phone: (512) 463-5555  
Prepared by: Katy Blaylock

Fax: (512) 463-5709  
TID: 10286

Dial: 7-1-1 for Relay Services  
Document: 167094200002



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



Roger Williams  
Secretary of State

## Office of the Secretary of State

### CERTIFICATE OF FILING OF

The Sabine on Fifth Residential Condominium Association, Inc.  
File Number: 800801983

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

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

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

Dated: 04/16/2007

Effective: 04/16/2007



A handwritten signature in cursive script that reads "Roger Williams".

Roger Williams  
Secretary of State

Phone: (512) 463-5555  
Prepared by: Katy Blaylock

Come visit us on the internet at <http://www.sos.state.tx.us/>  
Fax: (512) 463-5709  
TID: 10306

Dial: 7-1-1 for Relay Services  
Document: 167094200002

**FILED**  
In the Office of the  
Secretary of State of Texas

APR 16 2007

**Corporations Section**

**CERTIFICATE OF FORMATION**

**OF**

**THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.**

The undersigned natural person of the age of eighteen (18) years or more, acting as an incorporator of a non-profit corporation (the "*Residential Association*") under the Texas Business Organizations Code does hereby certify as follows:

**ARTICLE I  
NAME**

The name of the Residential Association is The Sabine on Fifth Residential Condominium Association, Inc.

**ARTICLE II  
NON-PROFIT CORPORATION**

The Residential Association is a non-profit corporation.

**ARTICLE III  
DURATION**

The period of its duration is perpetual.

**ARTICLE IV  
PURPOSES AND POWERS**

The purpose or purposes for which the Residential Association is organized are to act as the association of owners of units in The Sabine on Fifth Residential Condominium in Austin, Travis County, Texas, in accordance with the Residential Condominium Declaration for The Sabine on Fifth Residential Condominium recorded in the real property records of Travis County, Texas (the "*Residential Declaration*"), the Bylaws of the Residential Association (the "*Bylaws*"), and Texas law, including the Texas Uniform Condominium Act, Section 82.102 of the Texas Property Code, as each may be amended from time to time.

ARTICLE V  
REGISTERED OFFICE AND AGENT

The street address of its initial registered office is 9606 N. Mopac Expressway, Suite 500, Austin, Texas 78759, and the name of its initial registered agent at such address is Greg Miller.

ARTICLE VI  
INITIAL BOARD OF DIRECTORS

The qualifications, manner of selection, duties, terms, and other matters relating to the Board of Directors (referred to as the "*Board of Directors*") shall be provided in the Bylaws. The initial Board of Directors shall consist of three persons. The number of directors may be increased or decreased by amendment of Bylaws. The number of directors may not be decreased to less than three. In electing directors, members shall not be permitted to cumulate their votes by giving one candidate as many votes as the number of directors to be elected or by distributing the same number of votes among any number of candidates. The initial Board of Directors shall consist of the following persons at the following addresses:

Jack Spies  
9606 N. Mopac Expressway, Suite 500  
Austin, Texas 78759

Shanna Teague  
9606 N. Mopac Expressway, Suite 500  
Austin, Texas 78759

Brad Brakhage  
9606 N. Mopac Expressway, Suite 500  
Austin, Texas 78759

ARTICLE VII  
GENERAL POWERS

The foregoing statement of corporate purpose shall be construed as a statement of both purpose and powers and not as restricting or limiting, in any way, the general powers of the Residential Association as granted by the Texas Business Organizations Code.

ARTICLE VIII  
MEMBERS

The Residential Association will have members, having the qualifications, voting rights, ownership rights and other rights set forth in the Bylaws and the Residential Declaration.

ARTICLE IX  
LIMITS ON LIABILITY

To the full extent allowed by law, including without limitation, the provisions of Section 22.152 of the Texas Business Organizations Code, as amended, a director of this Residential Association shall not be personally liable to the Residential Association or its members for monetary damages for any act or omission in his capacity as director, except to the extent otherwise expressly provided by a statute of the State of Texas. Any repeal or modification of this Article shall be prospective only, and shall not adversely affect any limitation of the personal liability of a director of this Residential Association existing at the time of the repeal or modification.

ARTICLE X  
INDEMNIFICATION

The Residential Association may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a director or other person related to the Residential Association as provided by the provisions of the Texas Business Organizations Code governing indemnification. As the Bylaws of the Residential Association provide, the Board of Directors may define the requirements and limitations for the Residential Association to indemnify directors, officers, or others related to the Residential Association. The Residential Association may purchase and maintain liability insurance or make other arrangements for such obligations to the extent permitted by the Texas Business Organizations Code and other applicable state laws.

ARTICLE XI  
ACTIONS WITHOUT MEETINGS

Any action required by the Texas Business Organizations Code to be taken at a meeting of the members or directors of the Residential Association, or any action that may be taken at a meeting of the

members or directors or of any committee of the Residential Association, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a sufficient number of members, directors, or committee members as would be necessary to take that action at a meeting at which all of the members, directors, or members of the committee were present and voted.

#### ARTICLE XII DISSOLUTION

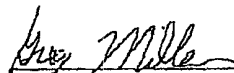
Notwithstanding the provisions of Section 22.304 of the Texas Business Organizations Code, upon dissolution, after all liabilities and obligations of the Residential Association are paid or provision is made therefor, the Residential Association may distribute its assets, in whole or in part, to the person or entities designated by a majority of the members of the Residential Association voting at a special meeting at which a quorum is present and which was called for the purpose of this Article XII.

#### ARTICLE XIII INCORPORATOR

The name and address of the incorporator is:

Greg Miller  
9606 N. Mopac Expressway, Suite 500  
Austin, Texas 78759

IN WITNESS WHEREOF, I have hereunto set my hand this the 13 day of April, 2007  
2007.

  
\_\_\_\_\_  
Greg Miller, Incorporator

**RESIDENTIAL BYLAWS**

**OF**

**THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.**

## TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I Name and Address.....	1
Section 1.1 Name .....	1
Section 1.2 Address.....	1
Section 1.3 Registered Agent.....	1
ARTICLE II Applicability.....	1
ARTICLE III Purpose.....	1
ARTICLE IV Definitions and Interpretation .....	1
Section 4.1 Definitions.....	1
Section 4.2 Interpretation .....	4
ARTICLE V Member .....	4
Section 5.1 Membership.....	4
Section 5.2 Membership List .....	4
Section 5.3 Proxies.....	4
Section 5.4 Member in Good Standing .....	5
ARTICLE VI Meetings of the Members of the Residential Association.....	5
Section 6.1 Place of Annual and Special Meetings.....	5
Section 6.2 Date of Annual Meetings .....	5
Section 6.3 Notice of Annual Meetings .....	5
Section 6.4 Special Meeting.....	5
Section 6.5 Notice of Special Meetings .....	6
Section 6.6 Quorum.....	6
Section 6.7 Affirmative Vote .....	6
Section 6.8 Agenda .....	6
Section 6.9 Action without Meeting by Written Ballot.....	6
Section 6.10 Administration of Affairs .....	6
ARTICLE VII The Residential Board of Directors.....	6
Section 7.1 Authority; Number of Directors.....	6
Section 7.2 Term of Directors and Compensation .....	7
Section 7.3 Removal of Directors for Cause.....	7
Section 7.4 Vacancies on the Residential Board of Directors.....	7
Section 7.5 Removal of Directors by Members .....	8
Section 7.6 Organizational Meeting of the Board of Directors.....	8
Section 7.7 Place of Meetings .....	8
Section 7.8 Regular Residential Board of Directors Meetings.....	8
Section 7.9 Special Meetings of the Residential Board of Directors .....	8
Section 7.10 Waiver of Notice .....	8
Section 7.11 Directors Quorum.....	9
Section 7.12 Consent in Writing .....	9
Section 7.13 Records.....	9
Section 7.14 Powers and Duties.....	9

Section 7.15	Liability; Conduct of Directors and Officers.....	12
Section 7.16	Annual Budget and Assessments .....	12
Section 7.17	Management Certificate .....	12
Section 7.18	Manager.....	13
Section 7.19	Open Meeting.....	13
ARTICLE VIII Officers.....		13
Section 8.1	Officers.....	13
Section 8.2	Election.....	13
Section 8.3	Vacancies .....	14
Section 8.4	President.....	14
Section 8.5	Vice President .....	14
Section 8.6	Secretary.....	14
Section 8.7	Treasurer.....	15
Section 8.8	Compensation.....	15
ARTICLE IX Indemnification of Directors, Officers and Other Authorized Representatives.....		15
Section 9.1	General Indemnification.....	15
Section 9.2	Personal Interest or Liability .....	15
Section 9.3	Final Judgment Required.....	15
Section 9.4	Limited Indemnification.....	15
Section 9.5	Determination of Indemnification .....	16
Section 9.6	Authorization and Determination of Reasonableness of Expenses .....	16
Section 9.7	Success in a Proceeding .....	16
Section 9.8	Court Determination of Indemnification .....	16
Section 9.9	Advancing Director Expenses .....	16
Section 9.10	Repayment of Expenses by Director .....	17
Section 9.11	Witness Expenses.....	17
Section 9.12	Officer Indemnification .....	17
Section 9.13	Indemnification of Others .....	17
Section 9.14	Advancing Expenses for Others .....	17
Section 9.15	Insurance Authorized .....	17
Section 9.16	Indemnification Prohibited by the Residential Declaration .....	18
ARTICLE X Residential Association Books and Records .....		18
ARTICLE XI Winding Up and Termination.....		18
ARTICLE XII Miscellaneous.....		19
Section 12.1	Fiscal Year.....	19
Section 12.2	Amendments to Residential Bylaws.....	19
Section 12.3	Inspection of Residential Bylaws.....	19
Section 12.4	Membership Minutes.....	19
Section 12.5	Construction .....	19



**THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.**

**RESIDENTIAL BYLAWS**

**ARTICLE I**

**Name and Address**

**Section 1.1 Name.** The name of this corporation shall be THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC. (herein called the "*Residential Association*").

**Section 1.2 Address.** The office of the Residential Association shall be at the place to be designated by the Residential Board of Directors, subject to change upon notice to the Members of the Residential Association.

**Section 1.3 Registered Agent.** The Residential Association shall have and continuously maintain in the State of Texas a registered agent whose office is identical with such registered office, as required by the Texas Business Organizations Code. The registered office may be, but need not be, identical to the principal office in the State of Texas, and the registered office may be changed from time to time by the Residential Board of Directors.

**ARTICLE II**

**Applicability**

These Residential Bylaws shall be applicable to the Residential Association. In accordance with the terms of the Residential Declaration, all Members and any other Persons permitted to use the Residential Common Elements shall be subject to these Residential Bylaws, the Regulations and to any other rules and regulations adopted from time to time by the Residential Board of Directors. Ownership of any Residence, or rental or occupancy of any portion of a Residence in the Residential Property shall be conclusively deemed to mean that the Residential Tenant or occupant has accepted, ratified and will comply with the Residential Governing Documents.

**ARTICLE III**

**Purpose**

The purpose of the Residential Association is to protect and enhance the value of the Residential Property, including, without limitation, providing for the management of the Residential Common Elements. The Residential Association does not contemplate pecuniary gain or profit to its Members as a result of membership in the Residential Association.

**ARTICLE IV**

**Definitions and Interpretation**

**Section 4.1 Definitions.** The following terms shall have the meanings set forth below. Any capitalized terms not expressly defined herein shall have the same meaning as defined in the Residential Declaration.

**"Act".** The Uniform Condominium Act, Texas Property Code, Chapter 82, Section 82.001 et seq., as amended from time to time.

**"Code".** The Internal Revenue Code of 1986, as amended.

**"County"**. Travis County, Texas.

**"Director"**. A member of the Residential Board of Directors, and for the purposes of Article IX of these Residential Bylaws any individual who is or was a director of the Residential Association and any individual who, while a director of the Residential Association, is or was serving at the request of the Residential Association as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic association, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise.

**"GAAP"**. Generally accepted accounting principles, as promulgated by the Financial Accounting Standards Board.

**"Majority Vote of the Members"**. Members in Good Standing holding, in the aggregate, a majority of the votes entitled to be cast by the Members in Good Standing present or voting by legitimate proxy at a called meeting at which a Quorum is present.

**"Manager"**. Any experienced and professional manager or management company with whom the Residential Association contracts for the day-to-day management of either or both of the Residential Property or the administration of the Residential Association.

**"Master Regulations"**. The rules and regulations of the Master Condominium initially adopted by the Board of Directors and as amended from time to time, relating to the appearance, use and occupancy of the Property, including exterior appearance, use and occupancy of the Residences.

**"Members"**. All present and future Residence Owners in the Residential Condominium.

**"Member in Good Standing"**. Has the meaning set forth in Section 5.4 of these Bylaws.

**"Minute Book"**. The minute book of the Residential Association, which shall contain the minutes of all annual and special meetings of the Members of the Residential Association and the Residential Board of Directors and all resolutions of the Residential Board of Directors.

**"Official Capacity"**. (i) when used with respect to a Director, the office of director in the Residential Association and (ii) when used with respect to a individual other than a Director, the elective or appointive office in the Residential Association held by the officer, or the employment or agency relationship undertaken by the employee or agent on behalf of the Residential Association, but (iii) neither (i) nor (ii) above shall include service for any other foreign or domestic association or any partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise.

**"Person"**. Any individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, joint venture, estate, trust, unincorporated association, or any other legal entity, including any Governmental Authority and any fiduciary acting in such capacity on behalf of any of the foregoing.

**"President"**. The officer of the Residential Association having the duties described in Section 8.4 of these Residential Bylaws.

**"Proceeding"**. Any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitative or investigative, any appeal in such an action, suit, or proceeding and any inquiry or investigation that could lead to such an action, suit or proceeding.

**"Quorum"**. Has the meaning set forth in Section 6.6 of these Residential Bylaws.

**"Residential Association"**. The Sabine on Fifth Residential Condominium Association, Inc., a Texas non-profit corporation, and any domestic or foreign successor entity of the Residential Association in a merger, consolidation, or other transaction in which the liabilities of the predecessor are transferred to the Residential Association by operation of law or in any other transaction in which the Residential Association assumes the liabilities of the predecessor and does not specifically exclude liabilities that are the subject matter of Article IX of these Residential Bylaws.

**"Residential Board of Directors"**. Those individuals serving as Residential Board of Directors pursuant to Article VII of these Residential Bylaws and their successors as duly elected and qualified from time to time.

**"Residential Condominium"**. The Sabine on Fifth Residential Condominium, formed pursuant to the Residential Declaration.

**"Residential Declaration"**. The Residential Condominium Declaration for The Sabine on Fifth Residential Condominium, and all recorded amendments thereto, which shall be recorded in the real property records of the County.

**"Residential Improvements"**. The Buildings and their infrastructure, and the pavement, fencing, landscaping, facilities, Residential Systems and man-made objects of every type, existing or in the future placed on the Residential Property, including all cable television, cellular phone, internet and other utility or communication installations or equipment.

**"Residential Lien Indebtedness"**. Any bona fide indebtedness, which is the result of an arm's-length negotiation secured by a lien or encumbrance upon a Residence.

**"Residential Mortgagee"**. Any Person that is the holder, insurer or guarantor of Residential Lien Indebtedness which has provided the Residential Association with written notice of its name, address and the description of the Residence on which it holds Residential Lien Indebtedness.

**"Residential Property"**. The Residences and the Residential Common Elements.

**"Residential Rules and Regulations"**. The rules and regulations of the Residential Association now or hereafter adopted by the Residential Board of Directors, as amended from time to time, which Residential Regulations shall apply to the Residences and Residence Owners in addition to, and not in lieu of, the provisions of the Master Regulations. If a conflict exists between the Master Regulations and the Residential Regulations, the stricter of the two standards or requirements shall apply.

**"Reserve Fund"**. A fund to be maintained by the Residential Association to meet unforeseen expenditures of the Residential Association, to purchase any additional equipment or services deemed necessary by the Residential Association for operation of the Master Condominium, or for any other purpose deemed necessary by the Residential Association, subject to the provisions of the Residential Declaration.

**"Secretary"**. The officer of the Residential Association having the duties described in Section 8.6 of these Residential Bylaws.

**"Treasurer"**. The officer of the Residential Association having the duties described in Section 8.7 of these Residential Bylaws.

**"Vice President".** The officer of the Residential Association having the duties described in Section 8.5 of these Residential Bylaws.

**Section 4.2 Interpretation.** In the event of a conflict of interpretation between the provisions set forth in these Residential Bylaws and the Residential Declaration, the Residential Declaration shall govern. If the Code is hereafter amended or changed, both the Residential Declaration and these Residential Bylaws shall be interpreted in a manner which conforms to the provisions of the Code with respect to non-profit entities, it being the intention to preserve the status of the Residential Association as a *bona fide* non-profit entity.

## ARTICLE V

### Member

#### Section 5.1 Membership.

(a) Each Residence Owner shall automatically be a Member of the Residential Association. The voting rights and Residential Allocated Interests are set forth in the Residential Declaration.

(b) In cases where more than one Person owns an interest in a Residence, all such Persons shall arrange among themselves for one of their number to exercise the voting rights appurtenant to their Residence. In no event shall there be more than one vote for any Residence. If only one of the Persons is present at a meeting of the Residential Association, that Person may cast that Residence's vote. If more than one of the Persons is present and after one Person casts the vote, another Person present makes prompt protest to the Person presiding over the meeting, such vote shall not be counted unless such Persons can unanimously agree on such vote by the end of the meeting. Each Person owning a portion of the fee interest in a Residence may vote or register protest to the casting of votes by the other Persons owning portions of the fee interest in the same Residence through a proxy duly executed by such Member. A Member may not revoke a proxy except by giving actual written notice of revocation to the Person presiding over the meeting.

**Section 5.2 Membership List.** The Secretary shall be responsible for maintaining, at the principal office of the Residential Association, an updated list of Members and their last known addresses as provided by each Member in such form and containing such other information as required by the Texas Business Organizations Code. The list shall also show opposite each Member's name the address of the Residence owned. The list shall be revised by the Secretary to reflect changes in the ownership of the Residences occurring prior to the date of the annual or special meeting. The list shall be open to inspection by all Members and other Persons lawfully entitled to inspect the list during regular business hours up to the date of the annual or special meeting. Membership of a Member in the Residential Association shall automatically terminate when such Member ceases to be an Owner; provided, however, that such termination shall not release or relieve such Member from any liability or obligation under the Residential Declaration that was incurred during such Member's period of ownership of a Residence.

**Section 5.3 Proxies.** Votes may be cast by written proxy or by ballot. Written proxies may be submitted by United States mail, delivered to the office of the Residential Association, delivered directly to the Secretary or delivered in such other manner as directed by the Residential Association. A proxy vote shall be defined as a written vote submitted by a Member which either states the specific vote of the Member with, respect to the issues, resolutions or election being voted on by the Members at the annual or special meeting, or which is written permission for the Residential Board of Directors, a specific Director, or another Member to exercise the Member's vote as the Residential Board of Directors or the specific Director sees fit. A proxy shall be valid for the meeting specified in the proxy or any valid continuation of such meeting. Each proxy shall be revocable unless otherwise expressly provided therein.

to be irrevocable. No proxy will be valid after 11 months from the date of its execution unless otherwise provided therein.

**Section 5.4 Member in Good Standing.** A Member will be considered a "*Member in Good Standing*" and eligible to vote if such Member:

(a) has, at least 10 days prior to the taking of any vote by the Residential Association, fully paid all Residential Assessments or other Residential Charges that are due and payable;

(b) does not have any notice of unpaid Residential Assessments that has been filed by the Residential Association against the Residence owned by such Member; and

(c) has discharged all other obligations to the Residential Association as may be required of a Member, as an Owner of a Residence under the Residential Governing Documents.

The Residential Board of Directors will have sole authority for determining the good standing status of any Member and shall make such determination prior to a vote being taken by the Residential Association on any matter. The Residential Board of Directors shall have the right and authority, in its sole discretion, to waive the requirement set forth in subsections (a), (b) and (c) of this Section 5.4, and as to subsection (a) of this Section 5.4, require only that such payment be made at any time before such vote is taken if the Residential Board of Directors shall determine in the Residential Board of Director's judgment, that extenuating circumstances exist which have prevented prior payment. Any member not conforming with the provisions of this Section 5.4 shall be declared by the Residential Board of Directors not to be a Member in Good Standing and shall not be entitled to vote on matters before the Residential Association until such time as a Member in Good Standing status is attained and so declared by the Residential Board of Directors.

## ARTICLE VI

### Meetings of the Members of the Residential Association

**Section 6.1 Place of Annual and Special Meetings.** All annual and special meetings of the Members of the Residential Association shall be held at the principal office of the Residential Association or at another suitable and convenient place permitted by law and fixed by the Residential Board of Directors from time to time and designated in the notices of the meetings.

**Section 6.2 Date of Annual Meetings.** The first annual meeting of the Members of the Residential Association shall be held within one year of its formation. Thereafter, annual meetings of the Members of the Residential Association shall be held in January each year on a date as shall be fixed by the Residential Board of Directors by written notice to the Members. The Members may transact any business that may properly come before the meeting.

**Section 6.3 Notice of Annual Meetings.** The Secretary shall mail notices of annual meetings to each Member directed to the most recent post office address provided to the Residential Association by such Member, as shown on the records of the Residential Association, by regular mail, postage prepaid. This notice shall be mailed not less than ten or more than 40 days before the date of the meeting and shall state the date, time and place of the meeting, the purpose or purposes thereof and the items on the agenda, including the specific nature of any proposed amendment or change to the Residential Governing Documents.

**Section 6.4 Special Meeting.** A special meeting of the Members of the Residential Association may be called by the President, a majority of the Directors, or upon presentation to the

Secretary of a petition stating the specific purpose of the special meeting, which petition has been signed by Members having not less than 33% of the aggregate votes entitled to be cast at such meeting.

**Section 6.5 Notice of Special Meetings.** The Secretary shall mail notice of any special meeting of the Members of the Residential Association to each Member in the manner provided in Section 6.3, of these Residential Bylaws. The notice shall state the same items required by Section 6.3 of these Residential Bylaws for notices of annual meetings. No business shall be transacted at any special meeting except as stated in the notice thereof.

**Section 6.6 Quorum.** At any duly convened meeting of the Members of the Residential Association, a quorum shall be present if and when Members in Good Standing holding 40% of the aggregate votes entitled to be cast by the Members, represented at a meeting of the Members in person or by a legitimate proxy in a form approved by the Residential Board of Directors, are present at the beginning of the meeting (a "*Quorum*").

**Section 6.7 Affirmative Vote.** The vote of the Majority Vote of the Members shall be the act of the Members. A vote may be cast either in person or by proxy, by Members in Good Standing. Cumulative voting shall not be permitted.

**Section 6.8 Agenda.** The agenda at all meetings of the Members of the Residential Association shall include: (a) roll call; (b) proof of notice of meeting or waiver of notice; (c) approval of the minutes of the preceding meeting; (d) reports of officers and committees; (e) election of Directors, if applicable; (f) unfinished business; (g) new business; (h) adjournment.

**Section 6.9 Action without Meeting by Written Ballot.** Any action which may be taken by the vote of the Members at a regular or special meeting, other than the election of Directors, may be taken without a meeting if done in compliance with relevant provisions of the Texas Business Organizations Code. If an action is taken without a meeting, the Residential Board of Directors shall distribute a written ballot to every Member entitled to vote on the matter. The ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Residential Association. Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the Quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the proposal at a regular or special meeting authorizing the action.

**Section 6.10 Administration of Affairs.** Subject to the provisions of the Residential Governing Documents, the Residential Board of Directors shall govern the Residential Association.

## **ARTICLE VII**

### **The Residential Board of Directors**

#### **Section 7.1 Authority; Number of Directors.**

(a) The affairs of the Residential Association shall be governed by the Residential Board of Directors. The Residential Board of Directors shall fix the number of Directors from time to time. The initial Directors shall be three in number and shall be those Directors named in the Residential Certificate of Formation. The initial Directors shall serve until their successors are elected and qualified. Except as is provided in Sections 7.1(b) and 7.1(c) of these Residential Bylaws, Residential Declarant shall have the right to appoint and remove members of the Residential Board of Directors until the termination of Residential Declarant Control. If Residential Declarant voluntarily surrenders control prior to the

termination of the period of Residential Declarant Control, Residential Declarant may require that specified actions of the Residential Board of Directors be subject to Residential Declarant approval until the expiration of the period of Residential Declarant Control.

(b) Not later than 60 days after Residential Declarant has conveyed to Owners other than Residential Declarant title to 25% of the Residences, the Board of Directors may appoint up to two advisory directors who shall be Residence Owners (other than Residential Declarant or its employees). Such advisory directors shall attend all meetings of the Residential Board of Directors (but shall not be permitted to vote thereat) and shall perform such duties and shall assume such obligations as may be delegated to them by the Residential Board of Directors.

(c) Not later than 120 days after Residential Declarant has conveyed to Residence Owners other than Residential Declarant title to 50% of the Residences, an election shall be held by the Residential Association, pursuant to these Residential Bylaws, for the election of not less than one-third of the members of the Residential Board of Directors. The term of the advisory directors shall expire at the meeting at which such newly elected members of the Residential Board of Directors are elected and qualified.

(d) Not later than the termination of the period of Residential Declarant Control, the Association shall elect a Residential Board of Directors consisting of at least three Directors pursuant to these Bylaws of which one will be elected for a three-year term, one will be elected for a two-year term, and one will be elected for a one-year term.

(e) Each Director shall be a Member, or in the case of an entity ownership of a Residence, a duly authorized agent or representative of the entity owner. The entity owner shall be designated as the Director in all correspondence or other documentation setting forth the names of the Directors.

**Section 7.2 Term of Directors and Compensation.** Except as otherwise set forth herein, each Director shall serve for a term of two years and may serve an unlimited number of consecutive terms. Each Director shall continue to hold office until his successor is elected and qualified. The Directors shall serve without compensation for such service.

**Section 7.3 Removal of Directors for Cause.** If a Director breaches such Director's duties hereunder or violates the terms of the Residential Declaration, Residential Rules and Regulations or these Residential Bylaws, such Director may be removed by Residential Declarant during the period of Residential Declarant Control and by a majority vote of the remaining Directors following the expiration of the period of Residential Declarant Control. No Director shall have any voting rights nor may such Director participate in any meeting of the Residential Board of Directors at any time that such Director is delinquent in the payment of any Assessments or other charges owed to the Association. Any Director that is 90 days delinquent in the payment of Residential Assessments or other charges more than three consecutive times shall be removed as a Director.

**Section 7.4 Vacancies on the Residential Board of Directors.** After the period of Residential Declarant Control, if the office of any elected Director shall become vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the remaining Directors, at a special meeting duly called for this purpose, shall choose a successor within ten days of the vacancy. The successor Director shall fill the unexpired term of the directorship being vacated. If there is a deadlock in the voting for a successor by the remaining Directors, the one Director with the longest continuous term on the Residential Board of Directors shall select the successor. At the expiration of the term of his position on the Residential Board of Directors, the successor Director shall be re-elected or his successor shall be elected in accordance with these Residential Bylaws.

**Section 7.5 Removal of Directors by Members.** Subject to the right of Residential Declarant to nominate and appoint Directors as set forth in Section 7.1 of these Residential Bylaws, elected Directors may be removed, with or without cause, by a majority vote of the Members at any special meeting of the Members of which notice has been properly given as provided in these Residential Bylaws; provided the same notice of this special meeting has also been given to the entire Residential Board of Directors, including any individual Director whose removal is to be considered at this special meeting.

**Section 7.6 Organizational Meeting of the Board of Directors.** No later than 20 days following each of (a) the filing of the Residential Certificate of Formation and (b) each annual meeting of the Members of the Residential Association, the Residential Board of Directors shall hold a regular meeting for the purposes of organization, election of officers and transaction of other business. Notice of this meeting shall be given to all Directors in accordance with Section 7.8 of these Residential Bylaws, except for the initial meeting, which shall be called by Residential Declarant.

**Section 7.7 Place of Meetings.** All meetings of the Residential Board of Directors shall be held at the principal office of the Residential Association or at any other place or places designated at any time by resolution of the Residential Board of Directors or by written consent of all of the Directors. A special meeting of the Residential Board of Directors may be held by any means of remote electronic communication, including telephonic, videoconferencing or the internet if each person entitled to participate in the meeting consents to the meeting being held by means of that system, provided that each Director may communicate concurrently with every other Director,, and any such meeting may involve consideration of any action, including any action involving a vote on a fine, damage assessment, appeal from a denial of architectural control approval, or suspension of a right of a particular Member before the Member has an opportunity to attend a meeting of the Residential Board of Directors to present the Member's position on the issue.

**Section 7.8 Regular Residential Board of Directors Meetings.** Regular meetings of the Residential Board of Directors may be held at any time and place permitted by law as from time to time may be determined by the Residential Board of Directors. Notice of regular meetings of the Residential Board of Directors shall be given to each Director personally, by telegram, telephone, electronic mail, facsimile or by United States mail, with postage prepaid, directed to him at his last known\_ post office address, as the same appears on the records of the Residential Association, at least ten but not more than 40 days before the date of the meeting. This notice shall state the date, time, place and purpose of the meeting. Special meetings of the Residential Board of Directors may be held by conference telephone; provided, however, at any regular meeting of the Residential Board of Directors, not more than one Director may participate by telephone.

**Section 7.9 Special Meetings of the Residential Board of Directors.** Special meetings of the Residential Board of Directors may be called by the President on his own accord or by the President or the Secretary upon the written request of any one Director, on three days' prior notice to each Director.

**Section 7.10 Waiver of Notice.** Before any meeting of the Residential Board of Directors, whether regular or special, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to giving the required notice. All written waivers shall be filed in the Minute Book or made a part of the minutes of the meeting. Attendance by a Director at any meeting of the Residential Board of Directors shall likewise constitute a waiver by him of the required notice. If all Directors are present at any meeting of the Residential Board of Directors, no notice of the meeting shall be required and any business may be transacted at the meeting except as prohibited by law or these Residential Bylaws.



**Section 7.11 Directors Quorum.** At all duly convened meetings of the Residential Board of Directors, two Directors must be present to constitute a quorum for the transaction of business, except as otherwise expressly provided in these Residential Bylaws subject to the limitations set forth in the Residential Declaration. The acts of a majority of the Directors present at the meeting at which a quorum is present shall be the acts of the Residential Board of Directors.

**Section 7.12 Consent in Writing.** Any action by the Residential Board of Directors, including any action involving a vote on a fine, damage assessment, appeal from a denial of architectural control approval, or suspension of a right of a particular Member before the Member has an opportunity to attend a meeting of the Residential Board of Directors to present the Member's position on the issue, may be taken without a meeting if all of the Directors shall unanimously consent in writing to the action. Such written consent shall be filed in the Minute Book. Any action taken by such written consent shall have the same force and effect as a unanimous vote of the Directors.

**Section 7.13 Records.** The Residential Board of Directors shall cause a complete record of all of its acts and the corporate affairs of the Residential Association to be kept and to present a general report thereof to the Members at each annual meeting of the Members of the Residential Association or at any special meeting of the Members of the Residential Association where a general report is requested in writing by 51% of the Allocated Interests.

**Section 7.14 Powers and Duties.** Subject to the Residential Governing Documents, the Residential Board of Directors shall have and exercise all powers and duties necessary for the proper administration of the affairs of the Residential Association. In the performance of its duties as the governing body of the Residential Association, subject to limitations set forth in the Residential Declaration, the Residential Board of Directors shall have all powers enumerated in Section 82.102 of the Act, and in addition to, those powers and duties set forth in the Act and the Residential Declaration, the Residential Board of Directors shall have powers and duties including, but not limited to, those enumerated below. Each Director individually and the Residential Board of Directors collectively shall perform the duties and powers of the Residential Board of Directors in good faith as a fiduciary of the Residential Association, in a manner which the Director believes to be in the best interest of the Residential Association and with the care of a person of ordinary prudence under similar circumstances, including, but not limited to, reasonable inquiry, skill and diligence.

(a) Duties:

(i) provide for the operation, maintenance, management, insurance, cleaning, sanitation, renewal, replacement, care and upkeep of the Residential Common Elements and all property, real or personal, of the Residential Association;

(ii) determine the Residential Common Expenses and any other charges comprising the operating expenses of the Residential Association, establish the amount of Monthly Assessments, as the same may increase or decrease, and assess the same against the Members in accordance with the provisions of the Residential Declaration and these Residential Bylaws;

(iii) levy and collect, in addition to Monthly Residential Assessments, Special Residential Assessments in amounts which the Residential Board of Directors deems proper, whenever the Residential Board of Directors is of the opinion it is necessary to do so in order to meet increased operating or maintenance costs or additional capital expenses or because of emergencies subject to the limitations specified in the Residential Declaration;

(iv) levy and collect Individual Residential Assessments in amounts which the Residential Board of Directors deems proper;

(v) use and expend any sums collected from Monthly Residential Assessments and Special Residential Assessments for the operation, maintenance, renewal, care and upkeep of the Residential Common Elements;

(vi) maintain the Residential Common Elements;

(vii) maintain the Reserve Fund out of Monthly Residential Assessments;

(viii) collect and maintain the fund of Residential Working Capital Contributions;

(ix) pay all taxes and assessments levied or assessed against any property that may be owned by the Residential Association, exclusive of any taxes or assessments levied against any Member or otherwise properly chargeable to the Member;

(x) collect delinquent Residential Assessments against any Residence and the Residence Owner thereof, whether by suit or otherwise, and abate any nuisance and enforce the terms of the Residential Declaration and the observance of the Master Regulations and the Residential Rules and Regulations by injunction or other legal action or means which the Residential Board of Directors may deem necessary or appropriate;

(xi) establish operating, escrow and other accounts in the name of the Residential Association as the Residential Board of Directors may deem appropriate from time to time and as may be consistent with GAAP;

(xii) adopt a budget for each fiscal year which shall contain estimates of the costs and expenses of the Residential Association and the proposed Monthly Residential Assessments, which initial budget and certain increases shall be approved by Residence Owners as required in the Residential Declaration;

(xiii) cause a complete review of the books and accounts of the Residential Association to be made by a competent independent public accountant at the end of each fiscal year and at any other time or times deemed necessary;

(xiv) maintain accounting records in accordance with GAAP and

(xv) make and enforce compliance with the Master Regulations and the Residential Rules and Regulations relative to the operation, use and occupancy of the Residential Property, including, but not limited to, penalties to be levied for violations of these Residential Bylaws, the Residential Declaration, the Master Regulations and the Residential Rules and Regulations, and to amend the same from time to time as and when approved by appropriate resolutions which shall be binding on the Residence Owners, Residential Tenants and occupants of the Residences, their successors in title and assigns. A copy of the Master Regulations and the Residential Rules and Regulations and copies of any amendments thereto shall be delivered or mailed to each Residence Owner and any Residential Tenant or occupant of a Residence Owner's Residence promptly upon the adoption thereof.

(b) Powers:

(i) employ and dismiss personnel of the Residential Association, and purchase or arrange for those services, machinery, equipment, tools, materials and supplies as, in the opinion of the Residential Board of Directors, may from time to time be necessary for the proper operation and maintenance of the Residential Common Elements;

(ii) subject to Section 7.18 of these Residential Bylaws, enter into contracts for professional management of the Residential Property and the Residential Association, at such prices and upon such terms as may be determined by the Residential Board of Directors, to perform those duties and services which the Residential Board of Directors may lawfully delegate;

(iii) employ or retain and receive advice from professional counsel and consultants, including, but not limited to, landscape architects, architects, engineers, planners, biologists, lawyers and accountants, which the Residential Board of Directors may deem necessary for any proper purposes of the Residential Association, and fix the compensation for professional advice or services, including, but not limited to, those hereinbefore or hereinafter referred to in these Residential Bylaws. The Residential Board of Directors shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following: (A) one or more officers or employees of the Residential Association whom the Residential Board of Directors reasonably believes to be reliable and competent in the matter presented; (B) counsel, public accountants or other Persons as to the matters which the Residential Board of Directors reasonably believes to be within the professional or expert competence of this Person and (C) a committee of the Residential Board of Directors duly designated in accordance with law, as to matters within its designated authority, which committee the Residential Board of Directors reasonably believes to merit confidence. The Residential Board of Directors shall not be considered to be acting in good faith if it has knowledge concerning the matter in question that would cause this reliance to be unwarranted;

(iv) name as an insured, on behalf of the Residential Association, the Residential Association's authorized representative, including any trustee with which the Residential Association may enter into any insurance trust agreement or any successor to this trustee (each of which shall be referred to herein as the "*Insurance Trustee*"), to be given exclusive authority to negotiate losses under any policy providing property or liability insurance coverage. The Residential Association or any Insurance Trustee or substitute Insurance Trustee designated by the Residential Association shall have the exclusive power to act as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including the collection and appropriate disposition of the proceeds thereof, the negotiation of losses, execution of releases of liability and the execution of all documents and the performance of all other acts necessary to accomplish these purposes;

(v) establish depositories for the funds of the Residential Association with the bank or banks as shall be designated from time to time by the Residential Board of Directors and in which monies of the Residential Association shall be deposited. Withdrawal of monies shall be only by check signed by those Persons who are authorized by the Residential Board of Directors to sign checks on behalf of the Residential Association;

(vi) invest monies of the Residential Association in any investments which the Residential Board of Directors deems to be reasonably prudent;

(vii) borrow and repay monies and give notes, mortgages or other security upon the terms which are deemed reasonable by the Residential Board of Directors;

(viii) acquire by purchase, gift, annexation or lease, real or personal property, if, at any time in the future, the Residential Board of Directors deems it to be proper and not inconsistent with the terms hereof to do so;

(ix) grant and reserve easements, leases, licenses or concessions where necessary or desirable for utilities, routes of ingress and egress, or any other purpose, over the Residential Common Elements and to amend the Residential Map to show such interests;

(x) establish a form of estoppel certificate acceptable to the Residential Association for delivery to prospective purchasers and lenders and an appropriate charge for furnishing such certificate and

(xi) do all things incidental and necessary to the accomplishment of the foregoing.

The duties and powers imposed on the Residential Board of Directors by this Section shall not be amended so as to reduce, eliminate or expand any duties or powers of the Residential Board of Directors without the Majority Vote of the votes of the Members voting at the meeting called to consider such amendment.

**Section 7.15 Liability; Conduct of Directors and Officers.** No Member, Director, officer or representative of the Residential Association shall be personally liable for debts or liabilities of the Residential Association. A Director or officer is not liable to the Residential Association, any Member or any other person for an action taken or omission made or mistake in judgment by the Director or officer in the Person's capacity as a Director or officer, whether negligent or otherwise, unless the Director or officer's conduct was not exercised: (a) in good faith, (b) with ordinary care, and (c) in a manner that the Director or officer reasonably believed to be in the best interest of the Residential Association. The liability of officers and Directors of the Residential Association shall, to the fullest extent permitted by law, be limited by the Charitable Immunity and Liability Act of 1987, Chapter 84, Texas Civil Practice and Remedies Code, as amended.

**Section 7.16 Annual Budget and Assessments.** Copies of the Residential Budget for the next fiscal year of the Residential Association shall be prepared by the Residential Board of Directors and distributed to all Members at least 30 days prior to the beginning of each fiscal year of the Residential Association and shall be available to all Members for inspection during regular business hours at the Residential Association's office. If the Residential Budget is subsequently amended before the Assessments are made, a copy of the amended Residential Budget shall also be distributed and made available for inspection. Reserves shall include reasonable amounts to be credited, allocated or accumulated for replacement of those Residential Common Area improvements or facilities that require replacement, renovation or rehabilitation periodically. Subject to the provisions of the Residential Declaration, nothing herein contained shall be construed as restricting the right of the Residential Board of Directors, at any time and in its sole discretion, to levy a Special Assessment in the event that the budget as originally adopted shall appear to be insufficient to pay the cost of the operation or management of the Residential Property or in the event of emergencies.

**Section 7.17 Management Certificate.** If the Residential Board of Directors determine that it is in the best interest of the Residential Association to hire a Manager for the Residential Property in accordance with Section 7.18 of these Residential Bylaws, the Residential Association shall record in the County a certificate, signed and acknowledged by an officer of the Residential Association stating:

- (a) the name of the Residential Condominium;
- (b) the name of the Residential Association;
- (c) the location of the Residential Condominium;
- (d) the recording data for the Residential Declaration;
- (e) the mailing address of the Residential Association, or the name and mailing address of the Person managing the Residential Association and
- (f) other information the Residential Association considers appropriate.

A corrected certificate shall be recorded within 30 days after the Residential Association receives notice of a change in any of the information listed in (a) through (e) herein.

**Section 7.18 Manager.** To facilitate management of the Residential Property and the administration of the Residential Association, the Residential Board of Directors may delegate to a Residential Manager responsibility for matters of a routine nature, renewable by agreement of the parties thereto for successive one year periods only, and shall be subject to termination by, either party with or without cause and without payment of a termination fee upon not more than 30 days' prior written notice. After a Residential Manager has been appointed, no decision by the Residential Association to manage its own affairs without a Residential Manager shall be effective unless and until approved by an affirmative vote of the Members holding not less than 100% of the votes allocated by the Residential Declaration.

**Section 7.19 Open Meeting.** Meetings of the Members of the Residential Association and the Residential Board of Directors shall be open to all Members. Subject to applicable law, the Residential Board of Directors shall have the right to adjourn a meeting and reconvene in private, closed executive session to consider any actions involving personnel, pending litigation, contract negotiations, or enforcement actions, or upon the request of an affected party, or to consider matters that are confidential in the opinion of the Residential Board of Directors; provided, however, the Residential Board of Directors shall announce the general nature of the business to be considered in such executive session prior to adjourning the meeting.

## ARTICLE VIII Officers

**Section 8.1 Officers.** The officers of the Residential Association shall be a President, one or more Vice Presidents, a Secretary and Treasurer. The same individual may not hold the offices of President and Secretary. The Secretary may be eligible to hold the office of Treasurer. The President and Secretary shall not be representatives of the same entity Owner. The President and Treasurer must also be Directors. The Secretary need not be a Director.

**Section 8.2 Election.** Except as set forth herein, the officers of the Residential Association shall be elected annually by the Residential Board of Directors at the organizational meeting held pursuant to Section 7.6 of these Residential Bylaws and shall hold office until their successors are elected or appointed by the Residential Board of Directors; provided that each officer may be removed, either with or without cause, whenever in the best interest of the Residential Association, and his successor elected by the affirmative vote of a majority of the Directors at any annual or special meeting of the Residential Board of Directors called for that purpose. The President and Secretary shall each serve for a term of two years and the remaining officers shall serve for a term of one year, The Residential Board of

Directors may, from time-to time, appoint other officers who, in its judgment, are necessary. Any officer may resign at any time by giving written notice to the Residential Board of Directors or to the President or Secretary of the Residential Association. Any resignation shall take effect as of the date of the receipt of this notice or any later time specified therein; unless specified therein, the acceptance of a written resignation shall not be necessary to make it effective.

**Section 8.3 Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Residential Bylaws for regular appointments to that office.

**Section 8.4 President.** The President shall be the chief executive officer of the Residential Association and shall preside at all meetings of the Members of the Residential Association and the Residential Board of Directors. The President shall have the general powers and duties usually vested in the office of the president of a community association, including, but not limited to, the power to appoint committees from the Members from time to time as he may deem appropriate to assist in the conduct of the affairs of the Residential Association; provided, however, no such committee shall have the right to exercise the full authority of the Residential Board of Directors. The President shall be an ex-officio member of all standing committees, if any. The President shall execute deeds, contracts and other instruments, in the name and on behalf of the Residential Association and under its corporate seal when a seal is required, except when these documents are required or permitted by law to be otherwise executed, and except when the signing and execution thereof shall be delegated by the Residential Board of Directors to another officer or agent of the Residential Association.

**Section 8.5 Vice President.** In the absence of the President or in the event of the President's inability or refusal to act, a Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all of the restrictions upon the President. Any Vice President shall have only such powers and perform only such duties as the Residential Board of Directors may from time to time prescribe or as the officers may from time to time delegate.

**Section 8.6 Secretary.** The Secretary shall attend all meetings of the Residential Board of Directors and all meetings of the Members of the Residential Association and record all votes and the minutes of all meetings and proceedings, including resolutions, in the Minute Book. The Secretary shall perform the same duties for any committees when required. The Secretary shall have charge and custody of the Minute Book, the records of the Residential Association and any papers which the Residential Board of Directors shall direct the Secretary to keep; shall perform all duties incident to the office of Secretary, including, but not limited to, the sending of notice of meetings to the Members, the Directors and members of any committees, and shall perform any other duties which may be prescribed by these Residential Bylaws or by the Residential Board of Directors or the President. The Secretary shall also have custody of the corporate seal and shall affix the same to any instrument requiring it when authorized by the Residential Board of Directors and shall attest or certify the same when appropriate. The Secretary shall keep, or cause to be kept, at the principal office of the Residential Association, a membership register showing the following: (a) the names and addresses of all Directors; (b) the names and addresses of all Members as provided by the Members; (c) the Residence that is owned by each Member and (d) the vote of each Member. The Secretary shall prepare, execute and cause the recordation of amendments to the Residential Declaration on behalf of the Residential Association except when the preparation, execution and recordation thereof shall be delegated by the Residential Board of Directors to another officer or agent of the Residential Association. Nothing shall prohibit the functions of the Secretary to be delegated to an agent of the Residential Association provided this delegation is approved by resolution of the Residential Board of Directors. The delegation of the duties of the Secretary shall not relieve the Secretary from any responsibility related to overseeing and reviewing any duties performed by the agent.

**Section 8.7 Treasurer.** The Treasurer shall have the responsibility for the Residential Association's funds and securities, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Residential Association, and shall deposit all monies, checks and other valuable effects in the name of and to the credit of the Residential Association in those depositories which may be designated from time to time by the Residential Board of Directors. The Treasurer shall disburse the funds of the Residential Association, as the Treasurer may be ordered to do from time to time by the Residential Board of Directors or by the President, and shall render to the President and the Directors at the regular meetings of the Residential Board of Directors, or whenever they or either of them shall require, an account of his transactions as Treasurer and of the financial condition of the Residential Association. Nothing shall prohibit the functions of the Treasurer to be delegated to an agent of the Residential Association provided this delegation is approved by resolution of the Residential Board of Directors. The delegation of the duties of the Treasurer shall not relieve the Treasurer from any responsibility related to overseeing and reviewing any duties performed by the agent.

**Section 8.8 Compensation.** The officers of the Residential Association shall serve without compensation except that they shall be entitled to reimbursement for all expenses reasonably incurred in the discharge of their duties.

**ARTICLE IX**  
**Indemnification of Directors,**  
**Officers and Other Authorized Representatives**

**Section 9.1 General Indemnification.** The Residential Association shall indemnify an individual who was, is, or is threatened to be made a named defendant or respondent in a Proceeding because the individual is or was a Director only if it is determined in accordance with Section 9.5 of these Residential Bylaws that the individual: (1) conducted himself or herself in good faith; (2) reasonably believed: (a) in the case of conduct in such individual's Official Capacity as a Director of the Residential Association, that his conduct was in the Residential Association's best interests and (b) in all other cases, that his conduct was at least not opposed to the Residential Association's best interests and (3) in the case of any criminal Proceeding, had no reasonable cause to believe that his conduct was unlawful.

**Section 9.2 Personal Interest or Liability.** A Director shall not be indemnified by the Residential Association as provided in Section 9.1 of these Residential Bylaws for obligations resulting from a Proceeding: (1) in which the Director is found liable on the basis that personal benefit was improperly received by him, whether or not the benefit resulted from an action taken in the individual's Official Capacity; or (2) in which the individual is found liable to the Residential Association, except to the extent permitted in Section 9.4 of these Residential Bylaws.

**Section 9.3 Final Judgment Required.** The termination of a Proceeding by judgment, order, settlement, or conviction or on a plea of *nolo contendere* or its equivalent is not of itself determinative that the individual did not meet the requirement set forth in Section 9.1 of these Residential Bylaws. An individual shall be deemed to have been found liable in respect of any claim, issue or matter only after the individual shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom or after such judgment becomes final and non-appealable.

**Section 9.4 Limited Indemnification.** An individual may be indemnified by the Residential Association as provided in Section 9.1 of this Article IX against judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses, including court costs and attorneys fees actually incurred by the individual in connection with a Proceeding; but if the individual is found liable to the Residential Association or is found liable on the basis that personal benefit was improperly received by the individual, the indemnification (1) is limited to reasonable expenses actually incurred by the

individual in connection with the Proceeding including court costs and attorneys fees and (2) shall not be made in respect of any Proceeding in which the person shall have been found liable for willful or intentional misconduct in the performance of his or her duty to the Residential Association.

**Section 9.5 Determination of Indemnification.** A determination of indemnification under Section 9.1 of these Residential Bylaws must be made: (1) by a majority vote of a quorum of Directors who at the time of the vote are not named defendants or respondents in the Proceeding; (2) if such a quorum cannot be obtained, by a majority vote of a committee of the Residential Board of Directors, designated to act in the matter by a majority vote of all Directors, consisting solely of two or more Directors who at the time of the vote are not named defendants or respondents in the Proceeding; or (3) by special legal counsel selected by the Residential Board of Directors or a committee of the Residential Board of Directors by vote as set forth in subsection (1) or (2) of this Section 9.5, or, if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all Directors.

**Section 9.6 Authorization and Determination of Reasonableness of Expenses.** Authorization of indemnification and determination as to reasonableness of expenses (including court costs and attorneys fees) must be made in the same manner as the determination that indemnification is permissible, except that if the determination that indemnification is permissible is made by special legal counsel, authorization of indemnification and determination as to reasonableness of expenses (including court costs and attorneys fees) must be made in the manner specified by subsection (3) of Section 9.5 of these Residential Bylaws for the selection of special legal counsel. A provision contained in Residential Certificate of Formation, the Residential Bylaws, a resolution of the Residential Board of Directors or an agreement that makes mandatory the indemnification described in Section 9.1 of these Residential Bylaws shall be deemed to constitute authorization of indemnification in the manner required herein, even though such provision may not have been adopted or authorized in the same manner as the determination that indemnification is permissible.

**Section 9.7 Success in a Proceeding.** The Residential Association shall indemnify a Director against reasonable expenses (including court costs and attorneys fees) incurred by him in connection with a Proceeding in which he is a named defendant or respondent because he is or was a Director if he has been wholly successful on the merits or otherwise, in the defense of the Proceeding.

**Section 9.8 Court Determination of Indemnification.** If, upon application of a Director, a court of competent jurisdiction determines, after giving any notice the court considers necessary, that the Director is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not he has met the requirements set forth in Section 9.1 of these Residential Bylaws or has been found liable in the circumstances described in Section 9.2 of these Residential Bylaws, the Residential Association shall indemnify the Director to such further extent as the court shall determine; but if the individual is found liable to the Residential Association or is found liable on the basis that personal benefit was improperly received by the individual, the indemnification shall be limited to reasonable expenses (including court costs and attorneys fees) actually incurred by the individual in connection with the Proceeding.

**Section 9.9 Advancing Director Expenses.** Reasonable expenses (including court costs and attorneys fees) incurred by a Director who was, is, or is threatened to be made a named defendant or respondent in a Proceeding may be paid or reimbursed by the Residential Association in advance of the final disposition of the Proceeding and without the determination specified in Section 9.5 of these Residential Bylaws or the authorization or determination specified in Section 9.6 of these Residential Bylaws after the Residential Association receives a written affirmation by the Director of his good faith belief that he has met the standard of conduct necessary for indemnification under this Article IX and a written undertaking by or on behalf of the Director to repay the amount paid or reimbursed if it is



ultimately determined that he has not met that standard or it is ultimately determined that indemnification of the Director against expenses (including court costs and attorneys fees) incurred by him in connection with that Proceeding is prohibited by Section 9.4 of these Residential Bylaws. A provision contained in the Residential Certificate of Formation, these Residential Bylaws, a resolution of the Residential Board of Directors, or an agreement that makes mandatory the payment, or reimbursement permitted under this Section 9.9 shall be deemed to constitute authorization of that payment or reimbursement.

**Section 9.10 Repayment of Expenses by Director.** The written undertaking required by Section 9.9 of these Residential Bylaws must be an unlimited general obligation of the Director but need not be secured. It may be accepted without reference to financial ability to make repayment.

**Section 9.11 Witness Expenses.** Notwithstanding any other provision of this article, the Residential Association may pay or reimburse expenses (including attorneys fees) incurred by a Director in connection with his appearance as a witness or other participation in a Proceeding at a time when he is not a named defendant or respondent in the Proceeding.

**Section 9.12 Officer Indemnification.** An officer of the Residential Association shall be indemnified by the Residential Association as and to the same extent provided for a Director by Sections 9.1, 9.6, 9.7 and 9.8 of these Residential Bylaws and is entitled to seek indemnification under those Sections to the same extent as a Director. The Residential Association may indemnify and advance expenses (including court costs and attorneys fees) to an officer, employee or agent of the Residential Association to the same extent that it may indemnify and advance expenses (including court costs and attorneys fees) to directors under this article.

**Section 9.13 Indemnification of Others.** The Residential Association may indemnify and advance expenses (including court costs and attorneys fees) to individuals who are not or were not officers, employees, or agents of the Residential Association but who are or were serving at the request of the Residential Association as a Director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic Residential Association, partnership, joint venture, sole proprietorship, trust or other enterprise to the same extent that it may indemnify and advance expenses (including court costs and attorneys fees) to Directors under this Article IX.

**Section 9.14 Advancing Expenses for Others.** The Residential Association may indemnify and advance expenses (including court costs and attorneys fees) to an officer, employee, agent, or individual identified in Section 9.13 of these Residential Bylaws and who is not a Director to such farther extent, consistent with law, as may be provided by the Residential Certificate of Formation, these Residential Bylaws, general or specific action of the Residential Board of Directors or contract or as permitted or required by common law.

**Section 9.15 Insurance Authorized.** The Residential Association may purchase and maintain insurance or another arrangement on behalf of any individual who is or was a Director, officer, employee or agent of the Residential Association or who is or was serving at the request of the Residential Association as a Director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic Residential Association, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, against any liability asserted against him and incurred by him in such a capacity or arising out of his status as such a Person, whether or not the Residential Association would have the power to indemnify him against that liability under this Article IX. Without limiting the power of the Residential Association to procure or maintain any kind of insurance or other arrangement, the Residential Association may, for the benefit of individuals indemnified by the Residential Association: (1) create a trust fund; (2) establish any form of self-insurance; (3) secure its indemnity obligations by grant of a security interest or other lien on the assets of

the Residential Association; or (4) establish a letter of credit, guaranty or surety agreement. The insurance or other arrangement may be procured, maintained or established within the Residential Association or with any insurer or other individual deemed appropriate by the Residential Board of Directors, regardless of whether all or part of the stock or other securities of the insurer or other Person are owned in whole or part by the Residential Association. In the absence of fraud, the judgment of the Residential Board of Directors as to the terms and conditions of the insurance or other arrangement and the identity of the insurer or other Person participating in an arrangement shall be conclusive, and the insurance or arrangement shall not be voidable and shall not subject the Directors approving the insurance or arrangement to liability, on any ground, regardless of whether Directors participating in the approval are beneficiaries of the insurance or arrangement. Notwithstanding the provisions of this Section 9.15 in the event of any conflict between the provisions of this Section 9.15 and the provisions of the Residential Declaration, the provisions of the Residential Declaration shall control.

**Section 9.16 Indemnification Prohibited by the Residential Declaration.** Notwithstanding any provision of this Article IX to the contrary, no indemnification shall be authorized by or provided under this Article IX for any act in violation of any Legal Requirements.

## **ARTICLE X**

### **Residential Association Books and Records**

The Residential Association shall keep or cause to be kept (a) detailed financial records of the Residential Association in sufficient detail to enable the Residential Association to prepare a resale certificate in accordance with the provisions of Section 82.157 of the Act, (b) the plans and specifications used to construct the Master Condominium, and any separate plans and specifications used to construct the Residential Condominium (c) the name and mailing address of each Owner of a Residence; (d) voting records, proxies and correspondence relating to all amendments to the Residential Declaration and (e) the minutes of all meetings of the Members of the Residential Association and the Residential Board of Directors. All books and records of the Residential Association shall be available for inspection by the Residence Owners, Residential Mortgagees and their respective agents and representatives, during normal business hours. All books and records of the Residential Association shall be kept in accordance with GAAP, consistently applied, and shall be audited at least once a year by an independent certified public accountant. If requested in writing by a Member or Residential Mortgagee, the Residential Association shall furnish such requesting Member or Residential Mortgagee copies of the audited financial statements of the Residential Association within 90 days following the end of each fiscal year of the Residential Association. The Residential Board of Directors shall further make available for the inspection by Members, Residential Mortgagees and their respective agents and representatives, during normal business hours, the current version of the Residential Governing Documents and all other documents affecting the Residential Association, the Residence Owners, or the Residential Property, as well as all amendments thereto, and revisions thereof. Declarant shall furnish copies of the information set forth in this Section to the Residential Association on the date the first Residence is conveyed to a Residence Owner. For purposes of this paragraph, "available" shall mean available for inspection, upon reasonable advance request of not less than 24 hours, during regular business hours at the office of the Residential Association or the office of a Manager of the Residential Association. The cost of any copies shall be reimbursed to the Residential Association at a rate set by the Residential Board of Directors.

## **ARTICLE XI**

### **Winding Up and Termination**

Upon winding up of the Residential Association, the real and personal property of the Residential Association shall be distributed pursuant to the provision of the Residential Certificate of Formation or, if

no such provision is made, distributed to one or more organizations which are exempt from taxation under Section 501(c)(3) of the Code.

## **ARTICLE XII**

### **Miscellaneous**

**Section 12.1 Fiscal Year.** The fiscal year of the Residential Association shall be the calendar year unless the Residential Board of Directors shall determine otherwise.

**Section 12.2 Amendments to Residential Bylaws.**

(a) These Residential Bylaws may be amended from time to time by the Majority Vote of the Members voting at a meeting called to consider such amendment.

(b) Members must be given notice of the meeting required by Section 12.2(a) of these Residential Bylaws not less than ten or more than 20 days preceding the date of the meeting. Any such notice shall include the specific amendment or other change proposed to be made to these Residential Bylaws.

**Section 12.3 Inspection of Residential Bylaws.** The Residential Association shall keep in its principal office the original or a copy of these Residential Bylaws, as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the Members during normal business hours.

**Section 12.4 Membership Minutes.** The membership register and the Minute Book shall be open to inspection within one business day of demand of any Member during the normal business hours of the Residential Association, for purposes reasonably related to the interests of such Member.

**Section 12.5 Construction.** Number and gender as used in these Residential Bylaws shall extend to and include both singular and plural and all genders as the context and construction require.

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Adopted as of 4-17, 2007.

Shanna Teague  
Shanna Teague, Treasurer

THE STATE OF TEXAS

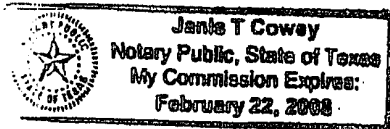
COUNTY OF TRAVIS

§  
§  
§

This instrument was acknowledged before me on the 17 day of April, 2007, by \_\_\_\_\_ of THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.

Janis Cowie  
Notary Public - State of Texas

My Commission Expires:



**RULES AND REGULATIONS FOR  
THE SABINE MASTER CONDOMINIUM  
("CONDOMINIUM")**

**CONTENTS**

**GENERAL PROVISIONS GOVERNING  
THE USE OF MASTER UNITS/RESIDENCES AND COMMON ELEMENTS**

**ADOPTED BY**

**THE BOARD OF DIRECTORS**

**APRIL 27, 2007**

## TABLE OF CONTENTS

ARTICLE I.	GENERAL PROVISIONS.....	1
Section 1.1.	Definitions.....	1
Section 1.2.	Compliance.....	2
(a)	Compliance.....	2
(b)	Waiver.....	3
(c)	Right to Enforce.....	3
(d)	Consent of a Residential Association.....	3
Section 1.3.	Obligations Of Owners/Residence Owners.....	3
(a)	Master Unit Keys.....	3
(b)	Damage.....	3
(c)	Insurance.....	4
(d)	Reimbursement for Enforcement.....	4
(e)	No Estate Sales.....	4
Section 1.4.	Occupancy Standards.....	4
(a)	Number of Occupants.....	4
(b)	Minors.....	4
Section 1.5.	Community Etiquette In The Residences and Residential Common Elements.....	4
(a)	Courtesy.....	4
(b)	Visitors.....	4
(c)	Code of Conduct.....	4
(d)	Employees.....	5
(e)	No Hiring of Employees.....	5
(f)	Communications among Residence Owners.....	5
(g)	Attire.....	5
(h)	Noise and Odors.....	5
(i)	Reception Interference.....	6
(j)	Packages.....	6
(k)	Wildlife.....	6
(l)	Smoking.....	6
Section 1.6.	Leases.....	6
(a)	Term and Conditions of Lease of a Residence.....	6
(b)	Subject to Documents.....	6
(c)	Tenant Communications.....	7
Section 1.7.	General Use And Maintenance Of Units/Residences.....	7
(a)	Master Units/Residences.....	7
(b)	Right of Entry.....	7
(c)	Maintenance.....	7
(d)	Balcony Area.....	7
(e)	Hot Tubs.....	8
(f)	Prohibition of Outdoor Cooking or Heating Equipment.....	8
(g)	Glass.....	8
(h)	Combustibles.....	8
(i)	Water Cut-Off.....	8
(j)	Report Malfunctions.....	8
(k)	Cable/Satellite.....	8
(l)	Utilities.....	9
(m)	No Right to Vent or Cut Into Chases, etc.....	9

	(n)	Signage; Advertising .....	9
	(o)	Infestation .....	9
	(p)	Window Air Conditioning Unit .....	10
	(q)	Commercial Unit .....	10
Section 1.8.		General Use Of The Residential Common Elements .....	10
	(a)	Access Cards or Other Access Controls .....	10
	(b)	Hallways .....	10
	(c)	Use of Elevators .....	10
	(d)	Fire and Safety .....	10
	(e)	Landscaping .....	10
	(f)	Clotheslines .....	11
	(g)	Residential Parking Spaces for the Residences .....	11
Section 1.9.		Construction and Architectural Control of a Residence .....	11
	(a)	Prohibited Changes to the Residential Common Elements .....	11
	(b)	Windows and Doors .....	11
	(c)	Balcony Areas .....	11
	(d)	Application for Master Association's and Applicable Residential Association's Approval .....	11
	(e)	Construction Hours .....	12
	(f)	Understanding and Agreement Concerning Contract Work .....	12
Section 1.10.		Residence Owner Vehicle Restrictions .....	12
	(a)	Residential Parking Garage Spaces .....	12
	(b)	Authorized Vehicles .....	12
	(c)	Motorized Vehicle Prohibitions .....	12
	(d)	Non-Motorized Vehicle Prohibitions .....	13
	(e)	Proper Placement .....	13
	(f)	Nuisances .....	13
	(g)	Fire lanes/Obstructions .....	13
	(h)	Violations .....	13
Section 1.11.		Trash Disposal .....	13
	(a)	General Duty .....	13
	(b)	Specific Rules .....	13
	(c)	Excess Trash .....	14
Section 1.12.		Pets in Residences .....	14
	(a)	Subject to Regulations .....	14
	(b)	Pet Agreement .....	14
	(c)	Permitted Pets .....	14
	(d)	Prohibited Pets .....	14
	(e)	Indoors/Outdoors .....	14
	(f)	Leashes .....	14
	(g)	Disturbance .....	14
	(h)	Damage .....	14
	(i)	Dog Walk and Pooper Scooper .....	15
	(j)	Removal .....	15
Section 1.13.		Residence Moving .....	15
	(a)	Notice .....	15
	(b)	Times .....	15
	(c)	Deposits .....	15
Section 1.14.		Miscellaneous .....	15
	(a)	Mailing Address .....	15
	(b)	No Waiver .....	16

(c)	Severability.....	16
(d)	Amendment of Regulations.....	16
(e)	Complaints .....	16
(f)	Other Rights .....	16
(g)	Release .....	16
(h)	Risk.....	17
(i)	Compliance.....	17
ARTICLE II. RULES GOVERNING COLLECTION AND FINING .....		17
Section 2.1.	Collection Rules and Procedures.....	17
(a)	Insufficient Funds.....	17
(b)	Collection by Master Association's and the Residential Association Attorney.....	17
(c)	Collection Agency.....	17
(d)	Notification of Credit Bureau.....	17
(e)	Right to Accelerate.....	17
(f)	Notice to Owner/Residence Owner .....	18
(g)	No Duty to Reinstate.....	18
(h)	Form of Payment.....	18
(i)	Partial and Conditioned Payment.....	18
(j)	Notification of Credit Reporting Agency .....	18
(k)	Waiver .....	18
Section 2.2.	Fining Rules and Procedure. ....	19
(a)	Policy.....	19
(b)	Owners/Residence Owners Liable .....	19
(c)	Violation Notice.....	19
(d)	First Violation .....	19
(e)	Repeat Violation.....	19
(f)	Right to Hearing.....	19
(g)	Committee of Board of Directors.....	20
(h)	Levy of Fine .....	20
(i)	Amount.....	20
(j)	Type of Levy .....	20
(k)	Collection of Fines .....	20
(l)	Effective Date.....	20
(m)	Amendment of Policy.....	20



## ARTICLE I.

### GENERAL PROVISIONS

These Regulations are established by the Board of Directors of the Master Association, effective as of April 27, 2007, pursuant to the rule-making and rule-enforcement authority granted to the Board of Directors.

These Regulations are in addition to the terms, provisions and covenants contained in the other Governing Documents. If there is a conflict among documents, the order of governing authority shall be as follows: Expense Allocation Document, Master Declaration, Certificate, Bylaws, these Regulations and then, with respect to Residence Owners, the applicable Residential Declaration, Residential Bylaws and then with respect to Residence Owners, the Residential Declaration, Residential Certificate, Residential Bylaws and Residential Regulation (if any) (lowest). If there are multiple residential condominium regimes within the Property, references to a Residential Condominium Declaration, to Residential Regulations, to a Residential Declarant, to a Residential Association or similar references shall be deemed to be only to those documents and or Persons, if any, applicable to such specific Residence in the context of the respective reference. The Board of Directors is empowered to interpret, enforce, amend and repeal these Regulations.

The Master Association hereby grants a revocable license in favor of CWS Apartment Homes, LLC ("*Manager*") to interface with the Owners/Residence Owners, Tenants and other Persons described in these Regulations to effect the Master Association rights and obligations set forth herein, but not to grant any waivers, make any decisions or otherwise make any independent elections whatsoever beyond the actions specifically authorized by the Master Association. If the Master Association, in its sole and absolute discretion, elects to terminate this license in whole or in part, then immediately upon giving notice to the Manager, the license granted in the immediately preceding sentence shall terminate, and the Master Association may enforce its rights and obligations hereunder itself or through another designated Person.

Any and all rules and requirements contained herein may be supplemented by the Board of Directors without prior notice to the Owners, Residence Owners, Tenants and Residential Tenants by addition to these Regulations and dissemination of same to the Owners and Residential Association(s), or by posting of such new Regulations in appropriate venues for observance by the Owners, Tenants, Residential Association(s), Residence Owners, or Residential Tenants. In addition, any Owner or Residential Association may impose additional rules and regulations on its respective Tenants, Residence Owners, or Residential Tenants.

These Regulations are solely for the benefit of the Manager, Residential Manager, Owners/Residence Owners, Master Association, Board of Directors, Residential Association and Residential Board of Directors, as well as their officers, directors, employees and agents and are not for the benefit and may not be relied upon in any manner by any other Person. Rights and obligations of the Master Association may be exercised by the Master Association's Designees, including the Manager. Rights and obligations of a Residential Association may be exercised by a Residential Association's Designees, including the Residential Manager.

#### Section 1.1. Definitions.

The following terms are defined for use in these Regulations and those capitalized terms used in these Regulations but not expressly defined herein have the same meaning as defined in the Master Declaration or Residential Declaration, as applicable:

**"Balcony Areas"**. All areas shown and marked as a "balcony" on the map attached to the Master Declaration.

**"Board of Directors"**. The Board of Directors of the Master Association.

**"Contractor"**. Any party performing construction, repair, remodeling or other services for a Unit or Residence.

**"Governing Documents"**. Individually and collectively, the Act, the Expense Allocation Document, Bylaws, Master Declaration, these Regulations and restrictive covenants; provided, however, that as to a Residence Owner, its Tenant or a Residence, the term "Governing Documents" shall also be deemed to include the Residential Governing Documents.

**"Master Association"**. The Sabine Master Condominium Association, Inc., a Texas non-profit corporation organized under the Act and created for the purposes and possessing the rights, powers, authority and obligations set forth in the Governing Documents.

**"Master Unit/Residence"**. A Master Unit or a Residence.

**"Owner/Residence Owner"**. An Owner or a Residence Owner.

**"Parking Garage"**. The parking garage located in Austin, Texas and attached to the Master Condominium by the skybridge, which parking garage does not constitute part of the Master Condominium but which contains the Parking Garage Spaces leased by Master Declarant from CP Austin Hotel, L.P., pursuant to the Parking Garage Lease.

**"Regulations"**. These rules and regulations, including all Attachments, as well as any (a) rules and regulations posted by the Master Association at any time on the Property, (b) any seasonal or temporary rules posted or communicated to the Owners by the Master Association, and (c) any notices of change or warning affecting the use of the Property, all as may be changed from time to time.

**"Residence"**. This term shall have the meaning as defined in the applicable Residential Condominium Declaration.

**"Residence Owner"**. Any Person (including Residential Declarant) owning fee title to a Residence, but excluding any Person having an interest in a Residence solely as security for an obligation.

**"Residential Association"**. This term shall have the meaning as defined in the applicable Residential Condominium Declaration.

**"Residential Board of Directors"**. This term shall have the meaning as defined in the applicable Residential Condominium Declaration.

## **Section 1.2. Compliance.**

(a) **Compliance**. Each Owner/Residence Owner, and all invitees and Persons using or occupying a Master Unit/Residence belonging to such Owner/Residence Owner, shall comply with the provisions of the Governing Documents and all Legal Requirements, as any of these may be revised from time to time. Each Owner/Residence Owner shall be liable for damages to any Person or property for violations of the Governing Documents by the Residence Owner. The Regulations contained within any specific section shall not be interpreted to apply to the

exclusion of other rules contained in these Regulations which would logically apply to the same subject matter.

(b) Waiver. Circumstances may warrant waiver or variance of these Regulations. To obtain a waiver or variance, an Owner/Residence Owner must make written application to the Master Association. Residence Owners must also make written application to the applicable Residential Association. The Master Association and Residential Association, if applicable, will consider such request and respond to the Owner/Residence Owner in accordance with the Governing Documents. If the application is approved, the waiver or variance must be in writing from both the Master Association and the Residential Association and may be conditioned or otherwise limited. The variance or waiver of any Regulations by the Master Association or a Residential Association for the benefit of any particular Owner/Residence Owner shall not be construed as a waiver of any of the Regulations in favor of any other Owner/Residence Owner nor shall any such waiver or variance prevent the Master Association or any Residential Association from thereafter enforcing any Regulation against any or all of the Owners/Residence Owners.

(c) Right to Enforce. The Master Association has the right to enforce these Regulations against any Person who owns or uses the Property. A Residential Association has the right to enforce these Regulations against any Person who owns or uses a Residence or Residential Common Elements governed by such Residential Association.

(d) Consent of a Residential Association. When required by the Governing Documents for Residence Owners to obtain approval of both the Residential Association and the Master Association, such Residence Owner must obtain the consent of the Residential Association prior to obtaining the consent of the Master Association.

### **Section 1.3. Obligations Of Owners/Residence Owners.**

(a) Master Unit Keys. Each Owner shall at all times maintain with the Master Association a set of all keys required to enter each separately occupied portion of such Owner's Unit as provided in the Master Declaration, and shall provide replacement keys to the Master Association each time a lock on the Master Unit is changed. Each Residence Owner shall at all times maintain with the applicable Residential Association a set of all keys required to enter such Residence Owner's Residence as provided in the applicable Residential Declaration, and shall provide replacement keys to the applicable Residential Association each time a lock on the Residence is changed. The Master Association and the applicable Residential Association assume no liability related to possession of the keys. Except as specifically set forth in the Governing Documents, the keys shall only be used for emergency access and in the event of prior written approval by the Owner/Residence Owner.

(b) Damage. Subject to the insurance requirements and the waiver of subrogation provisions in the Master Declaration, an Owner/Residence Owner is responsible for any loss or damage the Owner/Residence Owner causes to the Unit/Residence and the personal property of other Owners/Residence Owners. By way of example but not limitation, an Owner/Residence Owner is responsible for water damage to the other Master Units/Residences due to water which emanates from such owner's Unit/Residence, including leaks or overflows of sinks, tubs, showers, shower pans, toilets, dishwashers and clothes washers. In case of continuous water overflow, the Owner/Residence Owner should immediately turn off the water source within such Unit/Residence. Any damage to plumbing pipes, drains and apparatus resulting from misuse, or

from unusual or unreasonable use, shall be borne by the Owner/Residence Owner causing such damage.

(c) Insurance. An Owner/Residence Owner assumes full risk and sole responsibility for placing such Owner/Residence Owner's personal property in or on the Property. Each Owner/Residence Owner is required to carry the insurance set forth in the Master Declaration, and also as to any Residence, in the applicable Residential Condominium Declaration.

(d) Reimbursement for Enforcement. Each Owner/Residence Owner shall reimburse the Master Association for any expense incurred by the Master Association to enforce the Governing Documents against such Owner/Residence Owner or such owner's Master Unit/Residence as provided in the Master Declaration. Each Residence Owner shall reimburse the Residential Association governing such Residence for any expense incurred by the Residential Association to enforce the Governing Documents against such Residence Owner or such owner's Residence as provided in the applicable Residential Declaration.

(e) No Estate Sales. A Residence Owner may not conduct on the Property a sale or activity that is advertised or attractive to the public, such as "estate sales," "yard sales" or "garage sales." This Section 1.3(e) does not apply to marketing the sale or rental of a Residence, unless combined with a prohibited activity.

#### **Section 1.4. Occupancy Standards.**

(a) Number of Occupants. As used herein, the term "occupy" means occupancy of a Residence in excess of 7 continuous days or 30 days in any consecutive 12-month period. Subject to any exception for familial status under any applicable fair housing law or other Legal Requirements, no more than two people may occupy any one-bedroom Residence, no more than three people may occupy any two-bedroom Residence and no more than four people may occupy any three-bedroom Residence.

(b) Minors. No individual under the age of 18 years of age may occupy a Residence unless such occupancy is with a Residence Owner or Tenant who is a parent, legal guardian or designee in writing of such minor's parent or legal guardian. A Residence Owner must provide satisfactory proof of the ages and relationships among the occupants of such Residence upon request of the Master Association or the applicable Residential Association.

#### **Section 1.5. Community Etiquette In The Residences and Residential Common Elements.**

(a) Courtesy. Each Residence Owner will endeavor to use such Residence Owner's Residence and the portion of the Residential Common Elements in a manner calculated to respect the rights and privileges of other users of the Property. Each Residence Owner will refrain from conduct that may reasonably be expected to materially endanger the health or safety, annoy, harass, inconvenience, embarrass or offend the average Residence Owner or other users of the Residential Common Elements, including employees, or to reduce the desirability of the Master Condominium as a mixed use community.

(b) Visitors. Visitors to Residences may be required to register at the lobby desk.

(c) Code of Conduct. All Persons will conduct themselves in a civil manner when dealing with the Master Association's and any Residential Association's officers, directors, committee members, Manager, employees, contractors, agents and other Residence Owners. In

return, such Persons are due the same courtesy and civility. The following actions are expressly prohibited: (a) verbal abuse; (b) insults and derogatory name-calling; (c) cursing; (d) aggressive or threatening behavior; (e) hostile touching or physical contact; (f) sexual harassment; (g) publicly posting correspondence; and (h) phone calls that are designed-- by their tone, time or frequency -- to harass or intimidate.

(d) Employees. An Owner/Residence Owner may not instruct, direct or supervise, or interfere with the performance of duties by, employees or agents of the Master Association, any Residential Association or other Owners (including the Manager and its employees and agents), unless directed to do so by the Master Association (with respect to the Master Association's employees or agents) or such Residential Association (with respect to such Residential Association's employees or agents).

(e) No Hiring of Employees. The employees and agents of the Master Association, the Residential Association, Owners and the Manager are not permitted or authorized to render personal services to Residence Owners, including but not limited to performing services such as walking or caring for pets. The Residence Owners will not request or encourage employees or agents to violate this provision. Emergency situations or requests through the Manager for staff assistance, at such Residence Owner's expense, should be addressed directly to the Manager

(f) Communications among Residence Owners. The Residential Association balances the right of members to communicate with each other against the desire of Persons to be free of uninvited solicitations and misleading communications. To achieve that balance, oral and written communications that are intended for delivery to more than one Residence Owner are subject to this Section 1.5(f).

(i) Without the Residential Board of Directors prior written permission, Residence Owners may not communicate with others in a manner that may give the impression of having been approved or sanctioned by the Residential Association. In communicating with other Residence Owners, the issuer should identify himself and state that the communication has not been sanctioned by the Residence Association.

(ii) Without the Residential Board of Director's prior written permission, a Person may not distribute handbills or hand-deliver written communications to mailboxes, Residence doors or car windshields.

(iii) Without the Residence Board's prior written permission, a Person may not solicit information, endorsements or money from Tenants, or circulate petitions, except via the U.S. mail.

(g) Attire. Residence Owners must wear neat and clean street attire, and are prohibited from wearing lingerie and pajamas as outerwear and being barefoot, in the elevators, lobby and other portions of the Property.

(h) Noise and Odors. Subject to the provisions of these Regulations allowing construction, each Residence Owner will exercise reasonable care to avoid making loud, disturbing or objectionable noises or noxious odors that are likely to disturb Residence Owners of other Residences.

(i) Reception Interference. Residence Owners will avoid doing or permitting anything to be done that may unreasonably interfere with the television, radio, telephonic or electronic reception on or about the Property.

(j) Packages. Each Residence Owner agrees that the Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all other Owners/Residence Owners, Tenants, Manager, Declarant, Residential Declarant, any manager of a Master Unit and any Residential Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees are not responsible for any item or article left with or delivered to the Residential Association's employees or agents (including the Manager and its employees or agents) on behalf of such Residence Owner.

(k) Wildlife. Feeding of birds, squirrels or any wildlife is prohibited on the Property.

(l) Smoking. The smoking of tobacco products is permitted within a Residence and on the Balcony Area of a Residence; provided, however, that the Master Association or the applicable Residential Association may require the purchase and use of air purifiers for an individual Residence if the Master Association or the applicable Residential Association, respectively, determine, in the Master Association's or the Residential Association's sole discretion, that such individual Residence is the cause of smoke infiltrating other areas of the Property. Smoking is prohibited in the Residential Common Elements, including without limitation any elevators, hallways, the Manager's Office, garages and entry foyers. Smoking is also prohibited within 100 feet outside Building entrances.

#### Section 1.6. Leases.

(a) Term and Conditions of Lease of a Residence. Residences may be leased; however: (i) no such lease shall be made for transient or hotel purposes, with all leases shall be for a term of at least one year, (ii) such lease shall be in writing, shall be fully executed, shall state that it is subject in all respects to the provisions of the Residential Governing Documents and shall provide that any failure by the Tenant to comply with the terms and provisions of the Residential Governing Documents shall constitute a default under such lease, (iii) each lease shall be subject to leasing restrictions set forth by the Master Association and the applicable Residential Association, (iv) an executed copy of each lease shall be submitted to the Residential Association promptly following execution and the Residential Association will submit to the Master Association, if requested; and (v) all such leases shall be substantially in the form attached as Attachment A to these Regulations and shall be for not less than an entire Residence. At least ten days before the start of each lease term, the Residence Owner must provide the Master Association and the applicable Residential Association with: (a) a copy of the lease and (b) information about the Tenant(s) in a form acceptable to the Master Association and the applicable Residential Association. As soon as practical after its receipt thereof, the Residence Owner must notify the Master Association and the applicable Residential Association of any changes in Tenant information during the lease term.

(b) Subject to Documents. The mere execution of a lease for a Master Unit/Residence (or any portion of a Master Unit) or use of the Residence (for any period of time) subjects a Person to all pertinent provisions of the Governing Documents to the same extent as if such Person were an Owner/Residence Owner, except as specifically set forth in these Regulations; provided that notwithstanding the foregoing or any provision of the lease between an Owner/Residence Owner and its Tenant, an Owner/Residence Owner shall not be relieved of any obligation under the Governing Documents and shall remain primarily liable under and

pursuant to the Governing Documents for any obligations of Owner/Residence Owner thereunder. The Owner/Residence Owner is responsible for providing such Owner/Residence Owner's Tenant or invitee with the Governing Documents and notifying such Person of any changes. The Master Association and the applicable Residential Association (but only with respect to leases for Residences governed by such Residential Association) have no duty to notify Owners/Residence Owners or Tenants concerning any Legal Requirement. The Master Association and the applicable Residential Association (but only with respect to leases for Residences governed by such Residential Association) may, but are not obligated to, send notices of violations by a Tenant to both the Tenant and to the Owner/Residence Owner of the Master Unit/Residence occupied by the Tenant. Whether or not it is so stated in the lease, a Tenant's violation of the Governing Documents is deemed to be a material default of the lease for which Owner/Residence Owner has all available remedies at law or equity.

(c) Tenant Communications. Owners/Residence Owners shall instruct their Tenants to channel all communications to such Owner/Residence Owner, except for matters pertaining specifically to the Building or Residential Association and emergency matters which shall be directed by the Tenant to the Manager.

#### **Section 1.7. General Use And Maintenance Of Master Units/Residences.**

(a) Master Units/Residences. The uses allowed in the Master Units/Residences are subject to applicable provisions of the Master Declaration. The Residences must be used solely for private residential purposes, except for Residences owned by Residential Declarant or as provided in the Master Declaration or Residential Declaration, and may not be used for any commercial or business purposes. This restriction does not prohibit use of a Residence for personal, business or professional purposes, provided that: (a) such use is incidental to the Residence's residential use; (b) there is no external evidence of such use; and (c) such use does not entail excessive visits to the Property by the public, employees, suppliers or clients.

(b) Right of Entry. The Master Association, a Residential Association, Owner/Residence Owners or Declarant may enter a Master Unit/Residence as provided in the Master Declaration and the applicable Residential Declaration. In case of an emergency, the right of entry is immediate and, if the Owner/Residence Owner or Tenant has failed to provide a door key or refuses to provide entry, the Owner/Residence Owner is liable for the cost of repairs caused by the chosen method of access under such circumstances.

(c) Maintenance. Any maintenance work on a Residence of a non-de minimus nature or involving more than \$500 in value shall require an executed copy of an agreement substantially in the form attached as Attachment D to these Regulations to be provided to the Master Association and the applicable Residential Association.

(d) Balcony Area. Each Residence Owner will take care that the cleaning of such Residence Owner's Balcony Area does not annoy or inconvenience other Owner/Residence Owners. Nothing shall be thrown or swept out of any windows or doors, and no mops, brooms, dusters, rugs or bedding shall be shaken or beaten from any windows or doors or any portion of the Residential Common Elements. A Balcony Area may not be used for storage purposes if the Master Association or applicable Residential Association determines that a Balcony Area is unsightly (including the need for any cleaning of windows or doors and the presence of any balcony decorations visible from outside the Residence), the Master Association or the applicable Residential Association, respectively, may give the Residence Owner notice of such condition and a reasonable time period in which to correct it, after which the Master Association or the

applicable Residential Association may take corrective action at the Residence Owner's expense. Although items or objects such as doormats, furniture, plants and decorative items may be placed on the Balcony Areas, the Master Association and the applicable Residential Association reserves the right to determine whether a Balcony Area is unsightly or cluttered and may, at its sole discretion, request the removal of such items. A Residence Owner who does not remove such items in a reasonably timely manner shall be subject to fine or other penalty pursuant to the Governing Documents and/or to the disposal of such items by the Master Association or the applicable Residential Association.

(e) Hot Tubs. The use or installation of hot tubs, whirlpools or Jacuzzis (portable or permanently installed) in a Residence or on a Balcony Area is prohibited. This rule does not apply to a customary bathtub fixture with water jets located within a Residence, but not on the Balcony Area, that is installed pursuant to all applicable Legal Requirements.

(f) Prohibition of Outdoor Cooking or Heating Equipment. The use of outdoor cooking or heating equipment is prohibited anywhere in the Residences or the Residential Common Elements, including charcoal grills, electric or gas grills and hibachis, except with the prior written consent of the Master Association and any applicable Residential Association.

(g) Glass. Each Owner/Residence Owner, at their sole expense, must promptly pay the Master Association to repair and replace any broken or cracked glass in the windows and doors of such Person's Unit/Residence. Replacement windows must conform to the windows that are standard in the Improvements or be approved in writing prior to installation by the Master Association.

(h) Combustibles. Except those retail products sold for exclusive use as cleaning products, a Person may not store or maintain explosives or other combustible materials anywhere on the Property, including within a Residence.

(i) Water Cut-Off. Except as allowed by the Governing Documents or in the case of an emergency, no Person may interfere with or interrupt the Property's water lines, including water lines to any Master Unit/Residence, without the prior knowledge and cooperation of the Master Association.

(j) Report Malfunctions. An Owner/Residence Owner shall immediately upon discovery, report any leak, break or malfunction in any portion of the Property to the Manager. An Owner/Residence Owner who fails to promptly report a problem in such owner's Master Unit/Residence may be deemed negligent and may be liable for any additional damage caused by the delay, if such Owner/Residence Owner reasonably should have known further damage would likely occur due to the delay in reporting such problem.

(k) Cable/Satellite.

(i) A Residence Owner who subscribes directly to cable or satellite service is solely responsible for the cost and maintenance of the subscription and the appurtenant equipment; provided that no antennas or satellite dishes may be installed except in compliance with these Regulations. A Residence Owner who obtains cable or satellite service through the Master Association (in the event the Master Association were to provide such service, at its sole discretion) is responsible for the proper use, maintenance and return of cable connections or equipment. No additional exterior cable lines may be



connected to a Residence or Balcony Area, except as stated in Attachment C to these Regulations.

(ii) The Master Association or Manager may elect to install a central antenna system that enables Owners/Residence Owners to receive satellite television services without the need for installation of individual antennas within Owners/Residence Owners' Master Units/Residences or Balcony Areas. If Master Association or Manager installs a central antenna system, then Owners/Residence Owners desiring satellite television from any provider who offers services over the central antenna system may not install individual antennas within their Master Units/Residences or Balcony Areas except as permitted by applicable laws and regulations; rather, Owners/Residence Owners must receive the provider's satellite television services through the central antenna system.

(iii) Except as provided in Section 1.7(k)(ii) of these Regulations, the Master Association, Residential Association, Manager and Residential Manager shall not prohibit the installation, maintenance or use of antennas used to receive those video programming or fixed wireless services described in the Over-the-Air Reception Device Rule ("OTARD") adopted by the Federal Communications Commission. An Owner/Residence Owner shall be permitted to install or maintain an antenna permitted by OTARD within those areas of Owner/Residence Owner's Master Unit/Residence or Balcony Areas that are in Owner/Residence Owner's exclusive use and control, subject to reasonable safety rules established by the Master Association, Residential Association, Manager and Residential Manager from time to time; provided, however, that no such antenna or related structures shall be erected on, or fastened to, the roof, any exterior wall of a Unit/Residence, or on any portion of the Common Elements, without the prior written consent of the Master Association, Residential Association, Manager and Residential Manager, as applicable.

(iv) Prior to the installation of any antennas and related structures permitted by OTARD, each Residence Owner shall execute an agreement substantially in accordance with the document attached as Attachment B to these Regulations.

(l) Utilities. Owners/Residence Owners shall not overload existing electrical circuits and plumbing facilities in such Owners/Residence Owners' Master Unit Residence.

(m) No Right to Vent or Cut Into Chases, etc. Subject to the Governing Documents, under no circumstances whatsoever, may any Residence Owner, directly or indirectly, vent or cut into any chute, duct, conduit or vertical chase or any plumbing that serves a Residence.

(n) Signage; Advertising. Subject to the provisions of the Signage Easement or as may be otherwise provided in the Master Declaration, no sign, advertisement or notice shall be inscribed, painted, affixed or placed on any part of the Property.

(o) Infestation. No Owner/Residence Owner shall permit or suffer a condition within the owner's Unit/Residence that encourages the infestation thereof by pests, insects, rodents or other vermin. Failure to comply with the foregoing, or the failure to report such infestation to the Master Association and the applicable Residential Association (but only with respect to Residence Owner's governed by such Residential Association) as soon as the Owner/Residence Owner is aware of same, will render such Owner/Residence Owner liable for all costs and expenses incurred in having to eradicate such infestation.

(p) Window Air Conditioning Unit. No window heating or air conditioning unit shall be installed within any Residence.

(q) Commercial Unit. The Owner of the Commercial Unit shall be entitled to maintain and operate and/or to permit the maintenance and operation of restaurant seating areas on the outside sidewalk spaces immediately adjacent to any restaurant operations within the respective Master Units of the Building; provided, that the dimensions, design and operations of any such outside seating area will comply in all respects with the Regulations and all Legal Requirements. The Residential Unit Owner shall not unreasonably interfere with the Retail Unit Owner in connection with the use of the Commercial Unit or application for, and procurement and maintenance of, any and all permits required with respect to such outside seating areas under any Legal Requirements. All of the provisions of the Governing Documents applicable to the Commercial Unit shall apply to any such outside seating areas (not already within the Commercial Unit) as though such areas were contained within and included as a part of the Commercial Unit in which the operations for which such outside seating area is situated.

#### **Section 1.8. General Use Of The Residential Common Elements.**

(a) Access Cards or Other Access Controls. Admittance to the Residential Common Elements may require use of a coded access key fob, in which case an appropriate key fob will be issued to Residence Owners through the Management Office. Access key fobs are personal to the Person to whom they are issued and may not be transferred or assigned except to Tenants or other third parties approved by the Management Office and pursuant to a form approved by the Master Association and the applicable Residential Association. Any Person in possession of an access key fob will, upon request of the Master Association or the applicable Residential Association, produce a valid driver's license or other picture identification. An access key fob found in the possession of a Person to whom it is not issued will be confiscated. Replacement of a lost or confiscated access key fob, or the purchase of an additional access key fob, requires payment of a fee set by the Master Association. The Management Office shall issue no more than two key fobs per Residence without the special consent of the Master Association.

(b) Hallways. No item or object of any type may be stored, placed or maintained anywhere on the portion of the Residential Common Elements (other than the Balcony Areas) serving the Residences, including hallways and stairwells. The exterior of a Residence, including the front door or windows, may not be decorated or customized.

(c) Use of Elevators. The Residential Association may designate one of the elevators for use as a casual (service) elevator to be used by service workers and by any Residence Owner (a) accompanied by pets or (b) carrying bulky parcels or moving any item.

(d) Fire and Safety. Except in the event of a relevant emergency, no Person may use, tamper with, pry open or modify any fire or safety equipment on the Property, including alarms, extinguishers, monitors and self-closing doors.

(e) Landscaping. No Residence Owner shall harm, mutilate, alter, litter, uproot or remove any of the landscaping work on or within the Common Elements, or place or affix any planters, statues, fountains ornamental objects or artificial plants upon any portion of the Residential Common Elements (other than the Balcony Areas as provided in these Regulations), without the prior written consent of the Master Association and the applicable Residential Association. Digging, planting, pruning and climbing in any landscaped areas (other than the Balcony Areas as provided in these Regulations) are expressly prohibited.

(f) Clotheslines. No hanging or drying of clothes shall be allowed on (or within) any portion of the Property, and no pulley clothesline or similar device shall be affixed to or used in connection with any Master Unit/Residence.

(g) Residential Parking Spaces for the Residences.

(i) Except as otherwise specifically provided in the Governing Documents, no Person shall have the right to use a Residential Parking Garage Space in the Parking Garage except the Residence Owner, or a Tenant of such Residence pursuant to the Tenant's lease, to whom such Residential Parking Space is assigned pursuant to the Governing Documents. No Person shall have the right to use a Residential Parking Garage Space in the Parking Garage which is specifically identified as a "visitor" space, except a visitor to a Residence. Residence Owners shall notify the Master Association and applicable Residential Association immediately of any dangerous conditions on or about the Residential Parking Spaces.

(ii) Residential Parking Garage Spaces may not be altered in any way by the Residence Owner.

#### **Section 1.9. Construction and Architectural Control of a Residence.**

(a) Prohibited Changes to the Residential Common Elements. Without the prior written approval of the Master Association and the applicable Residential Association, a Residence Owner may not change, remodel, decorate, destroy or improve the Residential Common Elements, or do anything to change the appearance of the Residential Common Elements, including the hallways, hallway entry doors or windows or Balcony Areas.

(b) Windows and Doors. The interior doors and windows of a Residence must conform to the building standard unless otherwise approved in advance by the Master Association and the applicable Residential Association. No enclosures, awnings, shades or shutters shall be erected over or outside any windows or Balcony Area appurtenant to any Residence, and no exterior doors shall be removed, replaced or changed in any way, without the prior written consent of the Master Association and the applicable Residential Association. All door and window treatments visible from the exterior of the Residence shall be white in color and shall not be foil. Nothing shall be placed on the outside of window sills or projections or upon any patio railings, without the prior written consent of the Master Association and the applicable Residential Association. No screen or storm doors or windows shall be installed within any existing door or window openings which form part of the Residential Common Elements. A Residence Owner may not alter the color or appearance of the glass surfaces in the Residence's windows from the building standard.

(c) Balcony Areas. Because certain materials trap moisture which deteriorates the balcony structure, the floors of Residence Balcony Areas may not be covered or resurfaced without the Master Association's and the applicable Residential Association's prior written permission. The Master Association and the applicable Residential Association prohibit the use of carpeting on Balcony Areas. A Residence Balcony Area structure may not be enclosed or altered in appearance.

(d) Application for Master Association's and Applicable Residential Association's Approval. As part of the application to the Master Association and the applicable Residential Association for their written consent for any alteration or modification, a Residence Owner must

submit to the Master Association and the applicable Residential Association complete plans and specifications showing the nature, kind, shape, size, materials, colors, connection to Condominium systems and location for all proposed work and any other information reasonably requested by the Master Association and the applicable Residential Association.

(e) Construction Hours. Without the Master Association's and the applicable Residential Association's prior permission, no construction may be performed in any Residence by any Person except between the hours of 8:30 a.m. and 5:00 p.m. on business days. This rule is intended to prevent disturbances by construction-related utility cutoffs, noise, odors, workmen and activity between 5:00 p.m. and 8:30 a.m. and on Saturday, Sunday or holidays.

(f) Understanding and Agreement Concerning Contract Work. As a condition to the Master Association's and the applicable Residential Association's written approval of any construction work in a Residence (which approval is required for any work on a residence of a non-de minimus nature or involving more than \$500 in value), the Residence Owner and the Contractor must execute and deliver to the Master Association and the applicable Residential Association an agreement substantially in the form of the document attached as Attachment A to these Regulations.

#### **Section 1.10. Residence Owner Vehicle Restrictions.**

(a) Residential Parking Garage Spaces. A Residence Owner shall hold any Residential Parking Garage Space it has subleased from the Residential Association in accordance with and subject to the Residential Governing Documents. Residential Parking Garage Spaces shall be subleased and held or used by Residence Owners and Residential Tenants pursuant to the Residential Parking Space Sublease attached as Attachment B to these Regulations. The Residential Parking Space Sublease shall provide for the sublease of a Residence Owner's Residential Parking Garage Space by a Residential Tenant, but a Residence Owner shall not be permitted to directly sublease their Residential Parking Garage Spaces with a Residential Tenant or any other person. Except as otherwise specifically provided in the Residential Governing Documents, no person shall have the right to use a Residential Parking Garage Space except a Residence Owner or Residential Tenant. Residential Parking Garage Spaces may not be enclosed or altered in any way.

(b) Authorized Vehicles. To be permitted in the Parking Garage, a vehicle must be operable and must display a current license tag and current inspection sticker. To use the Parking Garage or valet parking services, a Residence Owner's vehicle must have a current parking sticker or reader issued by a garage valet on instruction from the Manager. For purposes of these Regulations, unless otherwise determined by the Master Association, permitted vehicles include automobiles, motorcycles, motorized bikes, passenger trucks, small vans, SUVs and similar passenger vehicles not exceeding 18 feet in length, seven feet in height and eight feet in width.

(c) Motorized Vehicle Prohibitions. Commercial vehicles, including trucks, trailers, vans, recreational vehicles, busses, boats, water craft, machinery or equipment, are prohibited on any portion of the Parking Garage. No vehicle shall be parked in any portion of the Parking Garage other than in a designated Residential Parking Garage Space without the prior written consent of the Master Association and the applicable Residential Association. No servicing or repairs shall be made to any vehicle either on or within the Parking Garage or any Common Elements, except for emergency repairs as necessary to enable movement of the vehicle to a repair facility. No vehicle shall be driven on or within any part of the Residential Common Elements or Parking Garage, other than on a driveway or designated Residential Parking Garage

Space. Car washing is prohibited anywhere on the Residential Common Elements. Residential Parking Spaces shall only be used for vehicle parking purposes.

(d) Non-Motorized Vehicle Prohibitions. Bicycles, skateboards, rollerblades and other non-motorized wheeled or similar devices may not be ridden, and must be walked, on the Property and the Parking Garage.

(e) Proper Placement. Each vehicle must be parked straight-in (not angled or sideways), so that it does not occupy more than one space within the Parking Garage. Motorcycles or bicycles may not be chained to buildings, fences or any other part of the Property, unless designated for that purpose.

(f) Nuisances. Each vehicle must be muffled and must be maintained and operated to minimize noise, odor and oil emissions. The use of car horns on the Residential Common Elements or Parking Garage is discouraged, except for the judicious use of a horn for right of way. Signs advertising a vehicle "for sale" are prohibited. No vehicle may be kept on the Property or the Parking Garage, if the Master Association or the applicable Residential Association deems it to be unsightly, inoperable, inappropriate or otherwise in violation of these Regulations.

(g) Fire Lanes/Obstructions. No vehicle may be parked in a manner that impedes or prevents ready access to the Property, Parking Garage, driveways, parking spaces or garage. No Residence vehicle may obstruct the flow of traffic, constitute a nuisance or otherwise create a safety hazard. No vehicle may be parked, even temporarily, in spaces reserved for others, in fire lanes or in any area designated as "No Parking."

(h) Violations. A vehicle or non-motorized device in violation of these Regulations may be stickered, wheel-locked, towed or otherwise removed from the Property by the Manager, at the Owner/Residence Owner's expense. The Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all Owners/Residence Owners, Tenants, Manager, Declarant, Residential Declarant, any manager of a Unit or any Residential Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees expressly disclaim any liability for damage to vehicles occasioned by the exercise of these remedies.

#### **Section 1.11. Trash Disposal.**

(a) General Duty. All Persons will endeavor to keep the Property clean, will dispose of all refuse and trash (except as set forth in these Regulations) in receptacles for that purpose, will not litter the Property, will place lighted or smoldering items, including cigarettes, only in designated containers (and not in general trash receptacles) and will not store trash in a manner that unreasonably permits the spread of fire, odors or seepage or encouragement of vermin.

(b) Specific Rules. Owners/Residence Owners must place trash in a sealed or tied container or bag before putting it in the trash chute (making certain that the door to the trash chute is securely closed after using it) or any designated trash receptacle. Large boxes and bulky objects must be placed neatly in secured containers on the loading dock or such other place designated for such items. Construction materials, solvents, paints and toxic waste must be removed from the Property by the Owner/Residence Owner or its contractor. If provided, a separate receptacle for newspapers and glass items should be used at all times.

(c) Excess Trash. An Owner/Residence Owner will place trash entirely within the trash chutes located on each floor. Boxes and large objects should be crushed or broken down before placed in the trash chute. Items that will not safely fit into the trash chutes shall be carried out of the building and placed in one of the designated exterior dumpster. An Owner/Residence Owner must arrange privately for removal of discarded furnishings or any unusually large volume of debris.

#### **Section 1.12. Pets in Residences.**

(a) Subject to Regulations. Residence Owners may not keep or permit on the Property an animal of any kind, at any time, except a pet permitted by these Regulations, the Governing Documents and Legal Requirements. Pets may be kept only in Residences that are Residence Owner occupied.

(b) Pet Agreement. Residence Owners must complete a pet registration form furnished by the Management Office immediately upon acquiring a pet or the Residence Owner occupying a Residence.

(c) Permitted Pets. Permitted house pets are limited to domesticated dogs, cats, caged birds, aquarium fish, and other small pets that are normally available for sale in a pet store.

(d) Prohibited Pets. No Person may keep a dangerous animal, wild undomesticated animal, pit bull terrier, trained attack dog or any other animal determined by the Master Association or the applicable Residential Association in their sole discretion to be a potential threat to the well-being of people or other animals. No pet may be kept, bred or maintained for any commercial purpose. Animals belonging to Persons other than Residence Owners, such as guests, friends and relatives, are prohibited from being on the Property, even for short visits or temporary stays.

(e) Indoors/Outdoors. A Residence Owner's permitted pet must be maintained inside the Residence, and may not be on a Balcony Area except when the Residence Owner is on the Balcony Area. No pet may use a Balcony Area as a latrine area.

(f) Leashes. Pets must be leashed or carried while in any portion of the Property outside of the Residences. If applicable, pets may be transported through the first floor elevator lobby or the main lobby only if carried. Pets may not be leashed to a stationary object on any portion of the Property outside of the Residences. No pet is allowed in the Recreational Facilities.

(g) Disturbance. Pets must be kept in a manner that does not disturb another Residence Owner's peaceful enjoyment of such Residence Owner's Residence or any Person elsewhere on the Property, outside of the Residences. No pet may be permitted to bark, howl, whine, screech or make other loud noises for extended or repeated periods of time, or to create a nuisance, odor, unreasonable disturbance or noise.

(h) Damage. Each Residence Owner is responsible for any property damage, injury or disturbance such Residence Owner's pet may cause. A Residence Owner who keeps a pet at the Master Condominium is deemed to indemnify and agrees to hold harmless the Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all other Owners/Residence Owners, Tenants, Manager, Declarant, Residential Declarant, any manager of a Unit and any Residential Association and each of their respective

officers, directors, partners, members, committee members, agents, attorneys and employees from any loss, claim or liability of any kind or character whatever resulting from any action of such Residence Owner's pet or arising by reason of keeping or maintaining the pet at the Master Condominium.

(i) Dog Walk and Pooper Scooper. Pets must only use designated areas to relieve themselves. Residence Owners are responsible for the removal of pet wastes from the Property. The Master Association and the applicable Residential Association may levy a fine or take other action against a Residence and its Residence Owner each time feces or urine are discovered on any portion of the Property outside of the Residences and are attributed to an animal in the custody of that Residence's Owner.

(j) Removal. If a Residence Owner or such Residence Owner's pet violates these Regulations, the Residence Owner or Person having control of the animal may be given a written notice by the Master Association or the applicable Residential Association to correct the problem. After the first written warning, a fine in the amount of at least \$25 shall be levied for all future violations. If violations occur repeatedly, the Residence Owner, upon written notice from the Master Association or the applicable Residential Association, may be required to remove the pet. Each Residence Owner agrees to permanently remove the violating animal of such Residence Owner from the Property within ten days after receipt of such removal notice.

#### **Section 1.13. Residence Moving.**

(a) Notice. The time and date of all Residence moves must be scheduled in advance with the Master Association and the applicable Residential Association, and dock usage is subject to availability. All Persons must give the Manager at least ten days prior written notice of any requested move of furniture, appliances or other large or heavy objects to or from a Residence and must complete the required move form which is available from the Manager.

(b) Times. Moves must be performed between 8:30 a.m. and 5:30 p.m. on business days. It is the Residence Owner's duty to notify movers and any other coordinating parties about these Regulations.

(c) Deposits. Scheduling a move and reserving an elevator may require payment of a deposit which shall be in an amount set by the Master Association. Such deposit will be refunded to the Residence Owner within ten days after the move, to the extent there is no damage to any portion of the Property or other violation of these Regulations.

#### **Section 1.14. Miscellaneous.**

(a) Mailing Address. An Owner/Residence Owner who receives mail at an address other than the address of such owner's Master Unit/Residence is responsible for maintaining with the Master Association and the applicable Residential Association such Owner/Residence Owner's singular current mailing address. An Owner/Residence Owner who changes such Owner/Residence Owner's name or mailing address must notify the Master Association and the applicable Residential Association in writing within ten days after the change. Notifications of change of name or change of address should be clearly marked as such. All notices required to be sent to Owners/Residence Owners by the Governing Documents will be sent to an Owner/Residence Owner's most recent address as shown on the records of the Master Association and the applicable Residential Association. If an Owner/Residence Owner fails to

provide a forwarding address, the address of such owner's Master Unit/Residence is deemed effective for purposes of delivery.

(b) No Waiver. The failure of the Master Association or any Residential Association to enforce a provision of these Regulations does not constitute a waiver of the right of the Master Association or any Residential Association to enforce such provision in the future or to treat Owners differently in enforcing these Regulations.

(c) Severability. If any term or provision of these Regulations is held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding will not affect any other term or provision of these Regulations.

(d) Amendment of Regulations. These Regulations may be revised, replaced, amended or supplemented by the Master Association. Owners/Residence Owners are urged to contact the Management Office to verify the Regulations currently in effect on any matter of interest. These Regulations will remain effective until ten days after the Master Association delivers to each Owner/Residence Owner, or publishes and distributes in a Master Association newsletter or other community-wide publication, notice of amendment to, or revocation of, these Regulations.

(e) Complaints. Any complaints about violations of these Regulations shall be made in writing to the Master Association and the applicable Residential Association (if such complaints involve a Residence Owner) and shall identify the type of infraction and the date of infraction and must be signed by the witness to the infraction.

(f) Other Rights. These Regulations are in addition to all rights of the Master Association and the Residential Association under the other Governing Documents and the laws of the State of Texas.

(g) Release. Although all Tenants and Residence Owners are required to sign releases of liability releasing and holding harmless the Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all other Owners/Residence Owners, other Tenants, Manager, Master Declarant, Residential Declarant, any manager of a Unit and any Residential Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees from any and all liability, claims, losses and actions arising out of or in connection with the use of any of the Residential Common Elements, the mere ownership occupancy of a Residence or use of such Residential Common Elements, in and of itself, by any Person shall constitute a full and complete release and indemnification of the Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all other Owners/Residence Owners, Tenants, Manager, Declarant, Residential Declarant, any manager of a Unit and any Residential Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees arising out of and in connection with any such activities. The Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all Owners/Residence Owners, Tenants, Manager, Declarant, Residential Declarant, any manager of a Unit and any Residential Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees expressly disclaim and disavow any and all representations or warranties, expressed or implied, including any warranty of fitness or safety for any particular purpose, relative to any of the Residential Common Elements or any property associated with the Residential Common Elements.



(h) Risk. Each Person uses the Residential Common Elements at such Person's own risk. The Residential Common Elements, and Recreational Facilities are unattended and unsupervised. Each Person is solely responsible for such Person's own safety. **The Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, the other Owners/Residence Owners, the other Tenants, Manager, Declarant, Residential Declarant, any manager of a Unit and any Residential Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees disclaim any and all liability or responsibility for property damage, injury or death occurring from use of the Residential Common Elements, and Recreational Facilities.**

(i) Compliance. To the extent mandated by Legal Requirements, disabled Residence Owners who are unable to comply with these Regulations because of their disability, shall receive a variance by the Master Association and the applicable Residential Association.

These Regulations are solely for the benefit of the Manager, the Owners, the Master Association, the Board of Directors, the Residential Association and the Residential Board of Directors, as well as their officers, directors, employees and agents and are not for the benefit and may not be relied upon in any manner by any Person. Rights and obligations of the Master Association or Residential Association may be exercised by the applicable Association's Designees, including the Manager.

## ARTICLE II.

### RULES GOVERNING COLLECTION AND FINING

#### Section 2.1. Collection Rules and Procedures.

To the extent permitted by applicable law and in addition to the collection rules and procedures in Article VII of the Master Declaration and Residential Declaration and other applicable provisions therein:

(a) Insufficient Funds. The Master Association and the Residential Association may levy a charge of at least \$25 or the actual bank charge, whichever is greater, against an Owner/Residence Owner if the check on which payment is made is returned to the Master Association or the Residential Association marked "insufficient funds" or the equivalent.

(b) Collection by Master Association's and the Residential Association Attorney. After giving the Owner/Residence Owner notice of the delinquency, the Master Association and the Residential Association may refer the delinquent account to an attorney for collection. In that event, the defaulting Owner/Residence Owner will be liable to the Master Association and the Residential Association for its legal fees and expenses.

(c) Collection Agency. The Board of Directors and the Residential Board of Directors may employ or assign the delinquency to one or more collection agencies.

(d) Notification of Credit Bureau. The Master Association and the Residential Association may file a report on the defaulting Owner/Residence Owner with one or more credit reporting services.

(e) Right to Accelerate. If an Assessment or a Residential Assessment is payable in installments and if an Owner/Residence Owner defaults in the payment of any installment, the Master Association (with respect to an Assessment) and the Residential Association (with respect

to a Residential Assessment) may declare the entire Assessment or Residential Assessment in default and accelerate the due date on all remaining installments of that Assessment or Residential Assessment.

(f) Notice to Owner/Residence Owner. A Special Assessment or Special Residential Assessment payable in installments may be accelerated only after the Master Association (with respect to a Special Assessment) or the Residential Association (with respect to a Special Residential Assessment) gives the Owner/Residence Owner at least 15 days prior notice of the default and the Master Association's or the Residential Association's intent to accelerate the unpaid balance if the default is not cured within such notice period. Notice shall be provided by certified mail, return receipt requested, addressed to the Owner/Residence Owner at the most recent address for the Owner/Residence Owner in the Master Association's or the Residential Association's records, and such notice shall be effective upon deposit in a receptacle under the control of the U.S. Post Office.

(g) No Duty to Reinstate. Following acceleration of an Assessment or a Residential Assessment payable in installments, the Master Association and the Residential Association have no duty to reinstate the installment program upon payment by the Owner/Residence Owner of any delinquent installment.

(h) Form of Payment. The Master Association and the Residential Association may require that payment of delinquent Assessments or Residential Assessments be made only in the form of cash, cashier's check, or certified funds.

(i) Partial and Conditioned Payment. The Master Association (with respect to Assessments) and the Residential Association (with respect to Residential Assessments) may refuse to accept partial payment (i.e., less than the full amount due and payable) and payments to which the payor attaches conditions or directions contrary to the Board of Directors' or the Residential Board of Directors' policy for applying payments. The Master Association's and the Residential Association's endorsement and deposit of such payment does not constitute acceptance. Instead, acceptance by the Master Association and the Residential Association occurs when the Master Association or Residential Association posts such payment to the Unit's/Residence's account. If the Master Association or the Residential Association does not accept such payment at that time, it will promptly refund such payment to the payor. A payment that is not refunded to the payor within 30 days after being deposited by the Master Association or the Residential Association may be deemed accepted. The acceptance by the Master Association (with respect to an Assessment) or the Residential Association (with respect to a Residential Assessment) of partial payment of delinquent Assessments or Residential Assessments does not waive the Master Association's or the Residential Association's right to pursue or to continue pursuing its remedies for payment in full of all outstanding obligations or the Master Association's or Residential Association's right to apply payments pursuant to any rights herein granted.

(j) Notification of Credit Reporting Agency. If the Master Association (with respect to an Assessment) or the Residential Association (with respect to a Residential Assessment) receives full payment of the delinquency after reporting the defaulting Owner/Residence Owner to a credit reporting service, the Master Association or the Residential Association will report receipt of payment to that credit reporting service.

(k) Waiver. properly levied collection costs, late fees, and interest may not be waived by the Board of Directors (with respect to Assessments) or the Residential Board of

Directors (with respect to Residential Assessments) unless a majority of the Board of Directors or the Residential Board of Directors determine that extraordinary circumstances warrant an adjustment to the account, in which case the adjustment must be described in detail in the minutes of the Board of Directors' or the Residential Board of Directors' meeting. Because of the potential for inadvertently effecting a waiver of the provisions of this policy, the Board of Directors and Residential Board of Directors will exercise extreme caution in granting adjustments to an Owner's/Residence Owner's account.

## **Section 2.2. Fining Rules and Procedure.**

(a) Policy. The Master Association and the Residential Association use fines to discourage violations of the Governing Documents and to encourage present and future compliance when a violation does occur. Fines are not intended to punish violators or generate revenue for the Master Association or the Residential Association.

(b) Owners/Residence Owners Liable. An Owner/Residence Owner is liable for fines levied by the Master Association and the Residential Association for violations of the Governing Documents whether the Owner/Residence Owner commits the violation or Tenants/Residential Tenants, guests or other invitees of such Owner/Residence Owner commit the violation. Regardless of who commits the violation, the Master Association and the Residential Association will direct its communications to the Owner/Residence Owner, although the Master Association and the Residential Association may also send copies of its notices to the actual violator.

(c) Violation Notice. Before levying a fine, the Master Association or the Residential Association will give the Owner/Residence owner a written violation notice and an opportunity for a hearing. The Master Association's or the Residential Association's written violation notice will contain the following items: (i) the date the violation notice is mailed or prepared; (ii) a description of the violation; (iii) a reference to the rule being violated; (iv) a statement that not later than the 30<sup>th</sup> day after the date of the violation notice, the Owner/Residence Owner may request a hearing before the Board of Directors or the Residential Board of Directors to contest the fine and (vii) the date the fine attaches or begins accruing.

(d) First Violation. If the Owner/Residence Owner was not given notice and a reasonable opportunity to cure a similar violation within the preceding 12 months, the notice will state a specific date by which the violation must be cured to avoid the fine, if the violation is ongoing or continuous. If the violation is not ongoing, but is instead sporadic or periodic, the notice must state that any future violation of the same rule may result in the levy of a fine.

(e) Repeat Violation. In the case of a repeat violation, the notice will state that, because the Owner/Residence Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding 12 months, the fine attaches from the date of the violation notice.

(f) Right to Hearing. An Owner/Residence owner may request in writing a hearing by the Board of Directors or the Residential Board of Directors regarding an alleged breach of the Governing Documents. The Board of Directors and the Residential Board of Directors have 10 days after receiving the Owner's/Residence Owner's request for a hearing to give the Owner/Residence owner notice of the time, place and date of the hearing. The hearing must be scheduled for a date within 45 days from the date the Master Association or the Residential Association receives the Owner's/Residence Owner's request and should be scheduled to provide

a reasonable opportunity for both the Board of Directors or the Residential Board of Directors, as applicable, and the Owner/Residence Owner to attend. The Owner's/Residence Owner's request for a hearing suspends only the levy of a fine. The hearing will be held in a closed or executive session of the Board of Directors or the Residential Board of Directors. At the hearing the Board of Directors or the Residential Board of Directors will consider the facts and circumstances surrounding the violation and the Owner/Residence Owner may attend in person, or may be represented by another person or written communication.

(g) Committee of Board of Directors. The Board of Directors or the Residential Board of Directors may appoint a committee comprised solely of directors, and having at least three members, to serve as the Board of Directors or the Residential Board of Directors at violation hearings. The Board of Directors and the Residential Board of Directors will be bound by the decision of the Board of Directors committee or the Residential Board of Directors committee, respectively. Such a committee may be appointed on an ad hoc basis.

(h) Levy of Fine. Within 30 days after levying the fine, the Master Association or the Residential Association must give the Owner/Residence Owner notice of the levied fine. If the fine is levied at the hearing at which the Owner/Residence Owner is actually present, the notice requirement will be satisfied if the Board of Directors or the Residential Board of Directors announces its decision to the Owner/Residence Owner at the hearing; otherwise, the notice must be in writing.

(i) Amount. The Master Association and the Residential Association may set fine amounts on a case-by-case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation. The Master Association and the Residential Association may establish schedules of fines for certain types of violations. The amount and cumulative total of a fine must be reasonable in comparison to the violation and should be uniform for similar violations of the same provision of the Governing Documents.

(j) Type of Levy. If the violation is ongoing or continuous, the fine may be levied on a periodic basis beginning on the start date. If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.

(k) Collection of Fines. Neither the Master Association nor the Residential Association is entitled to collect a fine from an Owner/Residence Owner to whom it has not given notice and an opportunity to be heard. Neither the Master Association nor the Residential Association may foreclose its assessment lien on a debt consisting solely of fines. The Master Association and the Residential Association may not charge interest or late fees for unpaid fines.

(l) Effective Date. These fining rules will become effective ten days after the Master Association or the Residential Association delivers, or causes to be delivered, a copy of these Regulations to an Owner/Residence Owner as shown on the records of the Master Association or the Residential Association.

(m) Amendment of Policy. These fining rules will remain effective until ten days after the Master Association delivers, or causes to be delivered, to an Owner/Residence Owner notice of amendment to or revocation of these Regulations. The notice may be published and distributed in a Master Association newsletter or other community-wide publication.

**ATTACHMENT A  
STANDARD FORM OF RESIDENCE LEASE**

1. **PARTIES.** This Residential Lease (the "**Lease**") between \_\_\_\_\_ ("**Owner**") and \_\_\_\_\_ ("**Tenant**"), whereby Owner leases to Tenant the Residence described below.

2. **RESIDENCE** described as Residence No. \_\_\_\_\_ the ("**Residence**") in the Block C Residences, a Residential Condominium, a condominium project, located at \_\_\_\_\_ ("**Condominium**").

3. **TERM.** This Lease shall be for a term of not less than twelve months, beginning on the \_\_\_\_\_ day of \_\_\_\_\_, and ending on the \_\_\_\_\_ day of \_\_\_\_\_.

4. **RENTAL** of \$ \_\_\_\_\_ per month ("**Rental**"), payable at the designated address given herein, in advance without demand or a grace period, on or before the first day of each month ("**Due Date**") during the period of this Lease. Receipt is hereby acknowledged of the pro-rated Rental in the sum of \$ \_\_\_\_\_ for Rental to the first Due Date. Rental paid after Due Date is delinquent and the provisions of paragraph 14 below shall apply. At the option of Owner, Tenant shall additionally pay interest at the Past Due Rate for payments made after the Due Date, until Rental is paid in full, and \$25.00 for each check dishonored by Tenant's bank for any reason.

5. **CLEANING CHARGE.** Tenant agrees to pay on execution hereof a non-refundable cleaning charge of \$ \_\_\_\_\_. The charge does not relieve Tenant of the responsibility to maintain and clean the Residence as outlined herein.

6. **SECURITY DEPOSIT.** Tenant agrees to pay on execution hereof a security deposit ("**Deposit**") of \$ \_\_\_\_\_ for the faithful performance of the terms and conditions of this Lease by Tenant. Such deposit is not to be construed as Rental.

7. **RETURN OF DEPOSIT.** Subject to paragraph 8 below, the Deposit shall be refunded to Tenant by mail within 30 days of the date Tenant surrenders the Residence and delivers to Owner in writing Tenant's forwarding address. Surrender shall occur on the earliest date when it appears to Owner that the Residence is vacant and Tenant has moved, all keys have been returned to Owner and any Deposit deductions have been evaluated and calculated.

8. **DEPOSIT DEDUCTIONS.** There shall be deducted from the Deposit unpaid (a) sums due under this Lease; (b) Rental; (c) utilities; (d) damages or required repairs to the Residence or its contents beyond reasonable wear and tear; (e) cost of removing unauthorized locks; (f) removing and storing Abandoned property; (g) removing vehicles that are Abandoned, illegally parked, parked in violation of this Lease or in violation of the Governing Documents or Owner's rules; (h) replacing unreturned keys and/or change of locks; (i) cost of extermination if necessary; (j) other charges provided for herein or agreed to by Owner and Tenant. Owner shall provide Tenant a written report of any deductions. The Deposit shall be applied first to non-Rental items, with the balance to Rental. In the event the Deposit is insufficient to pay for damages or unpaid charges under the terms of this Lease, Tenant shall promptly pay same upon demand by Owner.

9. **TENANT'S REQUIRED NOTICE.** Tenant agrees to give Owner a minimum of 30 days written notice prior to the expiration of the term of this Lease or any extension thereof of Tenant's intent to vacate the premises. Failure to do so shall entitle Owner to retain the entire Deposit.

10. **HOLDING OVER.** If Tenant fails to vacate the Residence at the end of the Lease term, or on any agreed move out date, Owner shall have the option to assess Rental for the hold over period at twice the Rental agreed to herein which shall be payable at a daily rate computed on the basis of a 30-day month and shall be payable daily at the designated address herein without waiving Owner's rights under paragraph 14 below.

11. **ABANDONMENT.** If Tenant is absent from the Residence for five consecutive days while any sum of money due hereunder remains unpaid, or has been evicted by judicial process, the Residence and all personal property found in or about the Residence, including storage buildings and parking areas, may be deemed abandoned by Owner ("*Abandoned*"), and Owner or their agents may peacefully enter, remove and store same. Owner shall be entitled to reasonable charges for removal, packing and storage of Abandoned property.

12. **LIENS.** An express contractual lien and a landlord's lien where permitted by law are hereby granted Owner on all non-exempt personal property of Tenant to secure payment of the Rental. Owner or his agent may peacefully enter the Residence to remove and store such property. Owner may sell all property deemed Abandoned, seized under a valid lien, or removed under a court eviction order, to the highest bidder at a public or private sale, after first giving Tenant 30 days written notice of the time, date and place of the sale, by certified mail, return receipt requested, addressed to Tenant at the address given herein. Sale shall be to the highest bidder for cash and subject to any unrecorded lien. The proceeds shall be applied first to the costs of sale, then to sums due Owner, with the remainder mailed to Tenant at address shown herein. The Residence is accepted by Tenant subject to and subordinate to all existing and future mortgages and liens.

13. **RENTAL ACCELERATION.** In the event Tenant, prior to the end of the term of this Lease, or any extension or renewal thereof, Abandons the Residence, or gives Owner written or oral notice of intent to move prior to the end of the lease term, or is judicially evicted, all remaining Rental for the full term of this Lease shall be accelerated automatically and without notice, and shall immediately become due and payable.

14. **DEFAULT.** If Tenant (a) defaults in the prompt payment of the Rental or any other sums due hereunder; (b) Abandons the Residence or (c) fails to occupy the Residence within five days of the beginning date of this Lease; (d) violates any of the terms of this Lease including, but not limited to, failure to vacate; or (e) or violates any of the provisions of the Governing Documents, Owner at Owner's option may terminate Tenant's right of occupancy by giving Tenant the statutory written notice to vacate, delivered either in person or by first class mail, and shall have the right to file suit in the proper court for possession. After giving such notice, or filing suit for possession, Owner may accept payment for sums due hereunder without waiving or diminishing Owner's right to proceed against Tenant for eviction, property damages, past or future Rentals, or other sums due hereunder. Owner may report any unpaid sums due hereunder, breaches of this Lease or damages, to any credit reporting agency for addition to Tenant's files.

15. **CARE AND MAINTENANCE.** Tenant accepts the Residence in its present condition, including all furniture and fixtures, if any. Tenant has examined the existing locks and agrees they are safe and acceptable. Owner shall have no duty to furnish smoke detectors, security guards, or additional locks and latches except as required by statute. No implied warranties are made by Owner or Owner's agents regarding the condition of the Residence and no agreements as to future repairs have been made unless specifically included herein. Tenant agrees to use reasonable diligence in the care of the Residence and agrees to not (a) make any alterations to the Residence without written permission of Owner; (b) paint, refinish or repair any part of the Residence, its fixtures and furniture included in this Lease if any, without written permission of Owner; (c) remove any part of the Residence for any purpose

without written permission of Owner; (d) add, remove, charge or re-key any lock without written permission of Owner; (e) permit any water bed in the Residence; (f) install new or additional telephone or cable outlets; (g) make any holes in the woodwork, floors or walls; provided that a reasonable number of small nail holes for picture hanging is permitted in sheetrock, walls and grooves or painting, without the specific permission of Owner in writing. Tenant shall be responsible for (a) sewer stoppage chargeable to Tenant's use; (b) damage to doors, windows or screens not due to negligence of Owner; (c) supplying and replacing light bulbs; (d) replacing smoke detector batteries; (e) placing trash and garbage in proper containers; (f) pest extermination; and (g) keeping walkways, stairs, hallways, and Common Areas free of trash and obstructions of any kind, or permitting their use for any purpose other than ingress and egress. At the termination of this Lease, Tenant agrees to surrender the Residence in the same condition as when received, reasonable wear and tear excepted.

16. **REPAIRS.**

(a) Tenant shall maintain at Tenant's expense \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(b) Owner shall maintain at Owner's expense \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

All requests for repairs by Tenant must be directed to Owner in writing, except in an emergency such as fire or interruption of utilities. Owner shall make needed repairs to Residence only after receiving written notice from Tenant and under the terms of applicable statutes. Owner shall have the right to temporarily discontinue utilities and Tenant's use of any fixtures to perform repairs, maintenance or to avoid damage to the Residence. Owner shall act with due diligence, but shall not be obligated to make repairs on other than a business day. During such periods, no deductions shall be allowed in the Rental and this Lease shall continue in force. If, in the reasonable opinion of Owner, the Residence, or nearby residences, are substantially damaged by fire or other disaster, Owner may terminate this Lease upon reasonable notice to Tenant and the Rental shall be prorated to the date of termination and Deposit refunded less lawful deductions.

17. **UTILITIES.** Owner shall pay for use of items checked: ☐ Electricity ☐ Natural Gas ☐ Water ☐ Sewage Charges ☐ Garbage Collection ☐ Cable TV ☐ Master TV Antenna ☐ Other (describe: \_\_\_\_\_). Unless otherwise indicated or paid by the Association, Tenant shall be responsible for all such charges.

18. **USE OF PROPERTY.** The Residence shall be used as a single family private dwelling only, in accordance with the Governing Documents. In no event shall the Residence be used for hotel or transient purposes. Tenant shall not (a) sublet or assign any part of the Residence, (b) repair or wash any motor vehicle in any part of the Condominium, (c) conduct any business of any type, including child care, from the Residence, (d) park or allow anyone to park on any portion of the Condominium whether in assigned dedicated parking spaces or not, any trailers, recreational vehicles, mobile homes, boats or inoperable vehicles. Tenant shall have the right to use parking spaces as designated by Owner, in accordance with the provisions of the Governing Documents regulating the manner and place of parking. Use of parking areas and common areas by Tenant, Tenant's family, guests, agents and invitees shall be in strict accordance with the provisions of the Governing Documents. If an Owner shall be required to pay additional assessments or fees relating to Tenant's use of the common elements, parking spaces or

storage space (if any), Tenant shall reimburse Owner for such fees with the monthly payment of Rental next due.

19. **LIABILITY.** Owner or Owner's agents shall not be liable to Tenant, Tenant's guests, invitees or other occupants, for any damages, injuries, or losses to person or property caused by fire, flood, water leaks, ice, snow, hail, winds, explosion, smoke, interruption of utilities, theft, burglary, robbery, assault, vandalism, acts of other persons, condition of the Residence, or other occurrences, including use (if any) of storerooms, swimming pool, laundry facilities or other improvements, unless such damage or injury is caused by the gross negligence of Owner or Owner's agents. Owner suggests that Tenant secure insurance coverage for protection against above liabilities and losses. Tenant agrees to notify Owner immediately of any dangerous conditions on or about the Residence.

20. **PETS.** Tenant shall not keep pets of any kind in or about the Residence. The presence of a pet in or about the Residence shall constitute a Default under paragraph 14 above.

21. **TENANT'S REPRESENTATIONS AND POSSESSIONS.** In addition to the Governing Documents referenced in paragraph 23 below, incorporated herein by specific reference (if checked) are ☐ Tenant's Rental Application ☐ move-in rental inspection ☐ smoke alarm inspection ☐ furniture inventory ☐ Owner's Rules and Regulations and ☐ \_\_\_\_\_; and Tenant's statements in any of such documents are material representations and have been relied upon by Owner, any falsity of which shall constitute a breach of this Lease. This Lease is conditioned upon Owner being able to secure possession of the Residence, and if Owner is unable to deliver possession of the Residence on the agreed date for any reason, Tenant's right to possession shall be delayed a maximum of 30 days until Owner is able to deliver possession, without any liability on the part of Owner.

22. **INSPECTION.** Owner, Owner's agents, employees, and other persons authorized by Owner, may enter the Residence by any reasonable means at all reasonable times without notice, to (a) inspect the Residence, (b) make repairs, (c) show the Residence to prospective tenants or purchasers, (d) exercise a valid lien, and (e) such other reasons as Owner shall elect.

23. **COMPLIANCE WITH GOVERNING DOCUMENTS.** Tenant acknowledges receipt of copies of, and is familiar with the terms, conditions and provisions of the Governing Documents, and Tenant understands that Tenant's right to use and occupy the Residence shall be subject in subordinated in all respects to the provisions of the Governing Documents.



**ATTACHMENT B**  
**PARKING GARAGE SPACE SUBLEASE**

**ATTACHMENT C  
SATELLITE**

**ATTACHMENT D  
CONTRACTOR AGREEMENT**

**FILED AND RECORDED**

OFFICIAL PUBLIC RECORDS

*Dana DeBeauvoir*

2010 Apr 15 04:09 PM 2010052431

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STATE OF TEXAS  
COUNTY OF TRAVIS

AMENDMENT TO RULES AND REGULATIONS  
The Sabine Master Condominium Association, Inc.

The Master Condominium Declaration for The Sabine Master Condominiums was filed of record in document no. 2007076119; with a First amendment thereto filed as document no. 2010001367, both of the Official Public Records of Travis County, Texas (together, the "Declaration")

The Declaration references the Sabine Master Condominium Association, Inc. ("Association") as a property owners association governing the property described in the declaration (the "Property"). The Board of directors of the Association is authorized to adopt and amend Rules and Regulations governing the Property. Previous Rules and Regulations have been adopted and are hereby filed of record as Exhibit A hereto.

The Board has subsequently adopted amendments to these rules as follows. The following amendments, in addition to the Rules and Regulations attached as Exhibit A hereto, together constitute the Rules and Regulations for the Property.

The Rules and Regulations apply to all Sub-Unit Condominium Association as the term is define in the Declaration, including the Sabine on Fifth Residential Condominium Association, Inc. The Declaration for Sabine on Fifth Residential Condominium was filed of record in document no. 2007076120 and amended in document no 2010001368 of the Official Public Records of Travis County, Texas (together, the "Residential Declaration").

**Rule 1.5 (l) regarding SMOKING is replaced in its entirety with the following language:**

(l) Smoking. The smoking of tobacco or other products is not permitted within a Residence or in the Residential Common Elements, including without limitation any elevators, hallways, the Manager's Office, garages and entry foyers. Smoking of tobacco products is permitted on the Balcony Area of a Residence provided such smoking does not interfere, in the discretion of the Board, with other residents' use and enjoyment of their property. Smoking is also prohibited within 100 feet outside Building entrances.

**Rule 1.6, regarding LEASING is hereby amended replace current subsection (a) in its entirety with the following language (subsections (b) and (c) are unchanged):**

(a) Leasing Generally. This rule shall apply solely to Residential Units. In order to preserve the character of the property as predominantly Owner-occupied and to comply with the eligibility requirements for financing in the secondary mortgage market, the leasing of Residential Units shall be governed by the restrictions imposed by this rule and other Governing Documents. "Leasing" is defined as regular, exclusive occupancy of a Unit by any person other than the Owner. For purposes hereof, occupancy by a roommate of an Owner who occupies the Unit as such Owner's primary residence shall not constitute Leasing.

(1) General. **Owners desiring to lease their Units may do so only if they have applied for and received from the Board either a "Leasing Permit" or a "Hardship Leasing Permit."** The Board is also expressly permitted to issue a "Leasing Permit" or a "Hardship Leasing Permit" to a prospective purchaser of a Unit, if such prospective purchaser and the seller thereof have executed a binding contract therefore, provided that, in such event, the "Leasing Permit" or a "Hardship Leasing Permit" (as the case may be) will be effective only after the prospective purchaser has acquired the Unit. Such a permit, upon its issuance will allow an Owner to lease his or her Unit provided that such Leasing is in strict accordance with the terms of the permit, and all Governing Documents. The Board shall have the authority to establish conditions as to the duration and use of such permits consistent with this rule and the Governing Document, including imposing a maximum lease term in fairness to other Owners who may be on or may later choose to be placed on the leasing wait list. All Leasing Permits and Hardship Leasing Permits shall be valid only as to a specific Unit Owner and Unit and shall not be transferable between either Units or Unit Owners, but unless as otherwise provided herein, shall be transferable to successors in title to the same Unit.

(2) Leasing Permits. **An Owner's request for a Leasing Permit shall be approved if current, outstanding Leasing Permits have not been issued for more than 30% of the total number of Residential Units in the regime.** A Leasing Permit shall be automatically revoked upon the happening of any of the following events: (1) the sale or transfer of the Unit to a third party (excluding sales or transfers to (a) an Owner's spouse, (b) a Person cohabitating with the Owner, and (c) a corporation, partnership, company, or legal entity in which the Owner is a principal); (2) the failure of a Unit Owner to lease his or her Unit within one hundred eighty (180) days of the Leasing Permit having been issued; (3) the failure of a Unit Owner to have his or her Unit leased for any consecutive one hundred eighty (180) day period thereafter; or (4) the occurrence of the date referenced in a written notification by the Owner to the Association that the Owner will, as of said date, no longer need the Leasing Permit.

If current Leasing Permits have been issued for more than 30% of the total number of Residential Units, no additional Leasing Permits shall be issued (except for Hardship Leasing Permits) until the number of outstanding current Leasing Permits falls below 30% of the total number of Residential Units in the Condominium. Owners who have been denied a Leasing Permit shall automatically be placed on a waiting list for a Leasing Permit and shall be issued the same if they so desire when the number of current outstanding Leasing Permits issued falls to 30% or less of the total Residential Units in

the regime. The issuance of a Hardship Leasing Permit to an Owner shall not cause the Owner to be removed from the waiting list for a leasing permit.

(3) Hardship Leasing Permits. **If the failure to lease will result in a hardship, the Owner may seek to lease on a hardship basis by applying to the Board for a Hardship Leasing Permit.** The Board shall have the authority to issue or deny requests for Hardship Leasing Permits in its discretion after considering the following factors: (1) the nature, degree, and likely duration of the hardship, (2) the harm, if any, which will result to the regime if the permit is approved, (3) the number of Hardship Leasing Permits which have been issued to other Owners, (4) the Owner's ability to cure the hardship, and (5) whether previous Hardship Leasing Permits have been issued to the Owner. A "hardship" as described herein shall include, but not be limited to the following situations: (1) a Unit Owner must relocate his or her residence outside the greater Austin metropolitan area and cannot, within six (6) months from the date that the Unit was placed on the market, sell the Unit except at a price below the current appraised market value, after having made reasonable efforts to do so; (2) where the Owner dies and the Unit is being administered by his or her estate, and (3) the Owner takes a leave of absence or temporarily relocates and intends to return to reside in the Unit. Hardship Leasing Permits shall be valid for a term not to exceed one (1) year. Owners may apply for additional Hardship Leasing Permits. Hardship Leasing Permits shall automatically be revoked if during the term of the permit, the Owner is approved for and receives a Leasing Permit.

(4) One year minimum term; no subletting; no renting by the room; leases in writing; copy of leases and tenant information to Association. Units may be leased only in their entirety; no fraction or portion may be leased without prior written Board approval. All leases shall be in writing and in a form compliant with all Governing Documents. The Board may in its sole discretion maintain and, upon request, provide a form that is deemed acceptable.

There shall be no subleasing of Units or assignment of leases without prior written Board approval. Per the Residential and Master Declarations, all leases must be for an initial term of not less than one year. Within 15 days after the effective date of an agreement for the lease of a Unit, the Owner shall provide the Board with a copy of the lease and the name of the lessee and all other people occupying the Unit, and a phone number for the lessee. The Owner must provide the lessee copies of the Governing Documents.

(5) Liability for Assessments, Use of Common Elements and Compliance with Documents. Each Owner covenants and agrees that any lease of a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant, and the lessee, by occupancy of the Unit, agrees to the applicability of this covenant and incorporation of the following language into the lease.

- (i) Compliance with Documents. The lessee shall comply with all provisions of the Documents and shall control the conduct of all other residents and guests of the leased Unit in order to ensure such compliance. The Owner shall cause all residents of his or her Unit to comply with the Governing Documents, and shall be responsible for all violations by such residents and their guests and invitees.

Any violation of the Documents by the lessee, any resident, or any guest of lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Applicable Law.

The Master Association or Residential Association shall have a right, but not the obligation, to evict any tenant or any family member or guest of the owner if such person is found by the Board to have a history of a crime described in subparagraph 6 below, according to official public records. Additionally, the Association(s) shall have a right, but not the obligation, to evict any tenant or any family member or guest of the owner if such person is found by the Board to have substantially or repeatedly violated Association (Master or Residential) Governing Documents.

In this regard, the Master or Residential Association shall be deemed an "aggrieved party" for eviction suit purposes and the Master or Residential Association shall be entitled to possession (i.e., dispossession of the particular offending person) of the dwelling subject to the condition that if the Association does recover possession in an eviction suit, the Master or Residential Association shall upon execution of a writ of possession immediately relinquish possession of the dwelling to the dwelling's Owner and shall not enter the dwelling. The Owner will be responsible for all costs, including legal fees, associated with enforcement of the Governing Documents against tenants or occupants, including eviction. Each Owner, by acceptance of a deed to a lot, hereby irrevocably appoints the Master or Residential Association as his attorney-in-fact to terminate the right of occupancy under the lease and evict any tenant or other occupant in the event of an uncured violation. Said attorney-in-fact shall have the right, but not the obligation, to bring such eviction proceeding.

The Association is not liable to the Owner for any damages, including lost rents, suffered by the Owner in relation to the Association's enforcement of the Documents against the Owner's tenant.

- (ii) Use of Common Elements. The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use all Common Elements, including but not limited to, the use of any and all recreational facilities and other amenities.

- (iii) Liability for Assessment. When a Unit Owner who is leasing his or her Unit fails to pay any Assessment or any other charge for a period of more than thirty (30) days after it is due and payable, then the delinquent Owner hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and, upon request by the Board, lessee shall pay to the Association all unpaid Assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by lessee. However, lessee need not make such payments to the Association in excess of or prior to the due dates for, monthly rental payments unpaid at the time of the Board's request. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to lessor. The above provision shall not be construed to release the Owner from any obligation, including the obligation for assessments, for which he or she would otherwise be responsible.

(6) Background checks required; copy to association within 15 days of lease effective date. **Prior to leasing to anyone or allowing anyone except the Owner or his family to occupy the Owner's dwelling, an Owner must exercise due diligence not to lease or allow occupancy to a person who has a conviction or deferred adjudication history of any crime that may pose a serious potential risk of injury to other residents.** This includes (but is not limited to) such crimes as rape, molestation, sexual assault, indecent exposure, indecency with a child, kidnapping, or arson. It is the Owner's responsibility to determine the best way to exercise that due diligence. **As a part of Owners' due diligence, Owners must obtain a report based on Texas Department of Public Safety criminal records, as well as taking any other actions needed to prudently screen all prospective tenants and occupants for criminal history.** (Criminal reports may be purchased from the DPS website at [www.txdps.state.tx.us](http://www.txdps.state.tx.us)).

Owners must provide a copy of all background checks to the Master Association within 15 days of the effective date of any lease. *Owners leasing as of the effective date of this rule must perform a background check on all tenants and occupants and provide a copy of the check to the association within 30 days of the effective date of this rule. If an Owner, at the time of adoption of this rule, is currently leasing to a tenant or occupants with a criminal history as described above, the Owner must terminate the tenant or occupant's occupancy at the earliest time allowed under the lease.* Owners failing to perform pre-screening of all tenants and occupants and supply copies of the screening to the association in a timely manner will be subject to automatic fines.

(7) Renting rooms/owner roommates. An owner residing in the unit may have a roommate who pays rent to the owner. This situation will not be considered a lease for purposes of these rules.

(8) Unit Owner must provide all association governing documents, including all rules, to tenant and lease must be subject to such documents. Each lease must be in writing. It is the owner's responsibility to ensure that the governing documents of the Master and Residential Association are provided to prospective tenants prior to entering into a rental agreement, and that the lease is made subject to all Governing Documents.



(9) Owner duty to cure tenant default. Failure by the tenant or his invitees to comply with the Governing Documents or applicable law is deemed to be a default under the lease. When the Association notifies an Owner of his tenant's violation, the Owner will promptly obtain his tenant's compliance or exercise his rights as a landlord for tenant's breach of lease, including if requested by the association, the Owner's right of eviction.

(10) Violation of Prohibition. A lease or lease renewal made in violation of these rules is voidable by the Board. The Board has the power to impose fines relating to enforcement of these leasing rules or any other provision of a governing document.

(11) Leasing prohibited if violations present. Only owners current in dues and other amounts due the association and having no other outstanding violations of the governing documents of the association at the time of application for a Lease Permit and lease commencement may lease their Unit.

(12) Maximum occupancy requirements. The number of tenants or other occupants in a unit may be no more than two persons per bedroom and one person per study if leased to a family. In cases where the units is not leased to a family, maximum occupancy is two persons in a one-bedroom unit without a study; three persons in a one bedroom unit with a study; four persons in a two-bedroom unit.

In cases of a family, if the unit has an especially spacious floor plan, the board may allow exceptions to this maximum occupancy requirement in cases of leases to a family. For purposes of leases to a family, any person over two years of age will be considered an occupant. If an occupant turns two during the lease term, the lease may continue until the expiration of the initial term but may not be renewed unless the occupancy requirements of this provision are met, and the owner otherwise meets the renewal criteria outlined herein. A family is defined as a parent or legal guardian living with a person under the age of 18.

(13) Permissible occupants. Only the tenants and occupants listed on the lease may occupy the unit. Persons not listed on the lease may not remain on the property as overnight guests for more than 7 nights in any one month without prior permission from the board. Overnight guests will be deemed to be any guests present in the unit or on the property between the hours of 12:00 am and 6:00 am.

(14) Administrative fees; deposit. Owners leasing their unit must pay to the association:

(a) a one-time administrative fee of \$100 for the record-keeping necessary for leased units no later than the start date of the lease; and

(b) a deposit of \$250 no later than the start date of the lease. The association may subtract from this deposit any amount of actual expenses, fines, unpaid assessments, and other amounts incurred by the association related to the tenant's lease, or the tenant's actions or those of the tenants' occupants, guests, or invitees, as well as any fines or other amounts due related to the tenant's actions or those of the tenants' occupants, guest, or invitees. An owner must bring

the deposit back up to \$250 within 10 days of receipt of notice from the association that a portion of the deposit has been applied to amounts described herein

*These fees are effective only for all leases entered into after the effective date of these amended rules. These fees are in addition to the standard move-in and move-out fees established by the board.*

**Summary of key Residential Unit leasing provisions:**

- \* a Leasing Permit must be obtained from the Master Association prior to leasing a unit
- \*background checks must be performed on all prospective occupants prior to leasing, with a copy given to the association within 15 days of the effective date of the lease
- \*lease term must be at least 12 months (see also Residential Declaration section 4.1(b)(1) and Master Declaration Section 4.1(d))
- \*all leases must be subject to the governing documents and owners must provide a copy of all governing documents to tenants
- \*owners must provide copies of leases to the association within 15 days of the effective date of date of lease
- \*with limited exceptions, no leasing or lease renewal is allowed if more than 30% of Residential Units are leased

**Rule 1.7(i), regarding UTILITY CUT OFFS is hereby amended to read in its entirety as follows:**

**1.7 (i) Utility Cut-Off.**

(1) *Water Cutoff.* Except as allowed by the Governing Documents or in the case of an emergency, no Person may interfere with or interrupt the Property's water lines, including water lines to any Master Unit/Residence, without the prior knowledge and cooperation of the Master Association. Provided at least 10 days advanced written notice is given (such notice will be deemed to have been given when mailed to the owner at the last known mailing address of the Owner or Residence Owner, as appropriate, according to Association records), the Association or Residential Association may disconnect water to a unit in the event of nonpayment of amounts due the Association or Residential Association. Any 10-day notice must include:

- (1) the words "disconnection notice" prominently displayed;
- (2) the amount and date payment must be received by the owner to avoid disconnection;
- (3) the date service will be disconnected if payment is not received; and
- (4) a local address where the Owner can go during normal business hours to make arrangements for payment of the bill and for reconnecting service.

Unless a dangerous condition exists which is related to the type of service provided, or unless the Owner requests disconnection, water service shall not be disconnected on a day, or on a day immediately preceding a day, when an Association or Residential Association, as appropriate, representative is not available to collect payments and reconnect service.

(2) *Electrical Cutoff.*

(A) Electric utility service may only be disconnected for nonpayment of electric utility bills. A unit's electric utility service may be disconnected if a bill has not been paid within 12 days from the date of issuance and proper notice has been given. Proper notice shall consist of a separate mailing or hand delivery at least five days prior to a stated date of disconnection, with the words "termination notice" or similar language prominently displayed on the notice. The notice shall include the office or street address where the owner can go during normal working hours to make arrangements for payment of the bill and for reconnection of service.

(B) Under these provisions, an owner's electric service may be discontinued only for nonpayment of electric service.

(2) Disconnection on holidays or weekends. Unless a dangerous condition exists, or unless the owner requests disconnection, service shall not be disconnected on a day, or on a day immediately preceding a day, when personnel of the condominium association are not available for the purpose of making collections and reconnecting service.

(3) The association may not disconnect service at a permanent, individually metered dwelling unit of a delinquent owner when that owner establishes that disconnection of service will cause some person residing at that residence to become seriously ill or more seriously ill;

(i) Each time an owner seeks to avoid disconnection of service under this subsection, the owner must accomplish all of the following by the stated date of disconnection:

(I) have the person's attending physician (for purposes of this subsection, the term "physician" shall mean any public health official, including medical doctors, doctors of osteopathy, nurse practitioners, registered nurses, and any other similar public health official) call or contact the association by the stated date of disconnection;

(II) have the person's attending physician submit a written statement to the association; and

(III) enter into a deferred payment plan.

(ii) The prohibition against service termination provided by this subsection shall last 63 days from the issuance of the electric utility bill or a shorter period agreed upon by the association and the customer or physician.

(B) Disconnection of energy assistance clients. No association may terminate service to a delinquent owner for a billing period in which the association receives a pledge, letter of intent, purchase order, or other notification that the energy assistance provider is forwarding sufficient payment to continue service; and

(C) Disconnection during extreme weather. An association cannot disconnect an owner's unit anywhere in its service territory on a day when:

(i) the previous day's highest temperature did not exceed 32 degrees Fahrenheit, and the temperature is predicted to remain at or below that level for the next 24 hours, according to the nearest National Weather Service (NWS) reports; or

(ii) the NWS issues a heat advisory for any county in the electric utility's service territory, or when such advisory has been issued on any one of the preceding two calendar days.

Effective July 22, 2010.

The Sabine Master Condominium Association, Inc.

By: [Signature]

Title: President

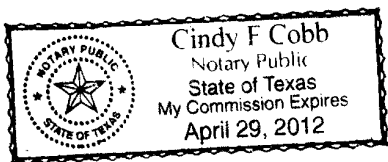
Printed name: Scott Smith

STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me on the 28<sup>th</sup> day of July, 2010, by Scott Smith in the capacity stated above.

Cindy F. Cobb  
Notary Public, State of Texas



***Exhibit A: previously-filed rules***

After recording, please return to:

Niemann & Heyer LLP  
1122 Colorado, Suite 313  
Austin, TX 78701

Exhibit "A"

**RULES AND REGULATIONS FOR  
THE SABINE MASTER CONDOMINIUM  
(*"CONDOMINIUM"*)**

**CONTENTS**

**GENERAL PROVISIONS GOVERNING  
THE USE OF MASTER UNITS/RESIDENCES AND COMMON ELEMENTS**

**ADOPTED BY  
THE BOARD OF DIRECTORS**

**APRIL 27, 2007**

## TABLE OF CONTENTS

ARTICLE I.	GENERAL PROVISIONS.....	1
Section 1.1.	Definitions.....	1
Section 1.2.	Compliance.....	2
(a)	Compliance.....	2
(b)	Waiver.....	3
(c)	Right to Enforce.....	3
(d)	Consent of a Residential Association.....	3
Section 1.3.	Obligations Of Owners/Residence Owners.....	3
(a)	Master Unit Keys.....	3
(b)	Damage.....	3
(c)	Insurance.....	4
(d)	Reimbursement for Enforcement.....	4
(e)	No Estate Sales.....	4
Section 1.4.	Occupancy Standards.....	4
(a)	Number of Occupants.....	4
(b)	Minors.....	4
Section 1.5.	Community Etiquette In The Residences and Residential Common Elements.....	4
(a)	Courtesy.....	4
(b)	Visitors.....	4
(c)	Code of Conduct.....	4
(d)	Employees.....	5
(e)	No Hiring of Employees.....	5
(f)	Communications among Residence Owners.....	5
(g)	Attire.....	5
(h)	Noise and Odors.....	5
(i)	Reception Interference.....	6
(j)	Packages.....	6
(k)	Wildlife.....	6
(l)	Smoking.....	6
Section 1.6.	Leases.....	6
(a)	Term and Conditions of Lease of a Residence.....	6
(b)	Subject to Documents.....	6
(c)	Tenant Communications.....	7
Section 1.7.	General Use And Maintenance Of Units/Residences.....	7
(a)	Master Units/Residences.....	7
(b)	Right of Entry.....	7
(c)	Maintenance.....	7
(d)	Balcony Area.....	7
(e)	Hot Tubs.....	8
(f)	Prohibition of Outdoor Cooking or Heating Equipment.....	8
(g)	Glass.....	8
(h)	Combustibles.....	8
(i)	Water Cut-Off.....	8
(j)	Report Malfunctions.....	8
(k)	Cable/Satellite.....	8
(l)	Utilities.....	9
(m)	No Right to Vent or Cut Into Chases, etc.....	9

	(n)	Signage; Advertising .....	9
	(o)	Infestation .....	9
	(p)	Window Air Conditioning Unit .....	10
	(q)	Commercial Unit .....	10
Section 1.8.		General Use Of The Residential Common Elements .....	10
	(a)	Access Cards or Other Access Controls .....	10
	(b)	Hallways .....	10
	(c)	Use of Elevators .....	10
	(d)	Fire and Safety .....	10
	(e)	Landscaping .....	10
	(f)	Clotheslines .....	11
	(g)	Residential Parking Spaces for the Residences .....	11
Section 1.9.		Construction and Architectural Control of a Residence .....	11
	(a)	Prohibited Changes to the Residential Common Elements .....	11
	(b)	Windows and Doors .....	11
	(c)	Balcony Areas .....	11
	(d)	Application for Master Association's and Applicable Residential Association's Approval .....	11
	(e)	Construction Hours .....	12
	(f)	Understanding and Agreement Concerning Contract Work .....	12
Section 1.10.		Residence Owner Vehicle Restrictions .....	12
	(a)	Residential Parking Garage Spaces .....	12
	(b)	Authorized Vehicles .....	12
	(c)	Motorized Vehicle Prohibitions .....	12
	(d)	Non-Motorized Vehicle Prohibitions .....	13
	(e)	Proper Placement .....	13
	(f)	Nuisances .....	13
	(g)	Fire lanes/Obstructions .....	13
	(h)	Violations .....	13
Section 1.11.		Trash Disposal .....	13
	(a)	General Duty .....	13
	(b)	Specific Rules .....	13
	(c)	Excess Trash .....	14
Section 1.12.		Pets in Residences .....	14
	(a)	Subject to Regulations .....	14
	(b)	Pet Agreement .....	14
	(c)	Permitted Pets .....	14
	(d)	Prohibited Pets .....	14
	(e)	Indoors/Outdoors .....	14
	(f)	Leashes .....	14
	(g)	Disturbance .....	14
	(h)	Damage .....	14
	(i)	Dog Walk and Pooper Scooper .....	15
	(j)	Removal .....	15
Section 1.13.		Residence Moving .....	15
	(a)	Notice .....	15
	(b)	Times .....	15
	(c)	Deposits .....	15
Section 1.14.		Miscellaneous .....	15
	(a)	Mailing Address .....	15
	(b)	No Waiver .....	16

(c)	Severability.....	16
(d)	Amendment of Regulations.....	16
(e)	Complaints.....	16
(f)	Other Rights.....	16
(g)	Release.....	16
(h)	Risk.....	17
(i)	Compliance.....	17
ARTICLE II. RULES GOVERNING COLLECTION AND FINING .....		17
Section 2.1.	Collection Rules and Procedures.....	17
(a)	Insufficient Funds.....	17
(b)	Collection by Master Association's and the Residential Association Attorney.....	17
(c)	Collection Agency.....	17
(d)	Notification of Credit Bureau.....	17
(e)	Right to Accelerate.....	17
(f)	Notice to Owner/Residence Owner.....	18
(g)	No Duty to Reinstate.....	18
(h)	Form of Payment.....	18
(i)	Partial and Conditioned Payment.....	18
(j)	Notification of Credit Reporting Agency.....	18
(k)	Waiver.....	18
Section 2.2.	Fining Rules and Procedure. ....	19
(a)	Policy.....	19
(b)	Owners/Residence Owners Liable .....	19
(c)	Violation Notice.....	19
(d)	First Violation .....	19
(e)	Repeat Violation.....	19
(f)	Right to Hearing.....	19
(g)	Committee of Board of Directors.....	20
(h)	Levy of Fine.....	20
(i)	Amount.....	20
(j)	Type of Levy .....	20
(k)	Collection of Fines .....	20
(l)	Effective Date.....	20
(m)	Amendment of Policy.....	20



## ARTICLE I.

### GENERAL PROVISIONS

These Regulations are established by the Board of Directors of the Master Association, effective as of April 27, 2007, pursuant to the rule-making and rule-enforcement authority granted to the Board of Directors.

These Regulations are in addition to the terms, provisions and covenants contained in the other Governing Documents. If there is a conflict among documents, the order of governing authority shall be as follows: Expense Allocation Document, Master Declaration, Certificate, Bylaws, these Regulations and then, with respect to Residence Owners, the applicable Residential Declaration, Residential Bylaws and then with respect to Residence Owners, the Residential Declaration, Residential Certificate, Residential Bylaws and Residential Regulation (if any) (lowest). If there are multiple residential condominium regimes within the Property, references to a Residential Condominium Declaration, to Residential Regulations, to a Residential Declarant, to a Residential Association or similar references shall be deemed to be only to those documents and or Persons, if any, applicable to such specific Residence in the context of the respective reference. The Board of Directors is empowered to interpret, enforce, amend and repeal these Regulations.

The Master Association hereby grants a revocable license in favor of CWS Apartment Homes, LLC ("*Manager*") to interface with the Owners/Residence Owners, Tenants and other Persons described in these Regulations to effect the Master Association rights and obligations set forth herein, but not to grant any waivers, make any decisions or otherwise make any independent elections whatsoever beyond the actions specifically authorized by the Master Association. If the Master Association, in its sole and absolute discretion, elects to terminate this license in whole or in part, then immediately upon giving notice to the Manager, the license granted in the immediately preceding sentence shall terminate, and the Master Association may enforce its rights and obligations hereunder itself or through another designated Person.

Any and all rules and requirements contained herein may be supplemented by the Board of Directors without prior notice to the Owners, Residence Owners, Tenants and Residential Tenants by addition to these Regulations and dissemination of same to the Owners and Residential Association(s), or by posting of such new Regulations in appropriate venues for observance by the Owners, Tenants, Residential Association(s), Residence Owners, or Residential Tenants. In addition, any Owner or Residential Association may impose additional rules and regulations on its respective Tenants, Residence Owners, or Residential Tenants.

These Regulations are solely for the benefit of the Manager, Residential Manager, Owners/Residence Owners, Master Association, Board of Directors, Residential Association and Residential Board of Directors, as well as their officers, directors, employees and agents and are not for the benefit and may not be relied upon in any manner by any other Person. Rights and obligations of the Master Association may be exercised by the Master Association's Designees, including the Manager. Rights and obligations of a Residential Association may be exercised by a Residential Association's Designees, including the Residential Manager.

#### Section 1.1. Definitions.

The following terms are defined for use in these Regulations and those capitalized terms used in these Regulations but not expressly defined herein have the same meaning as defined in the Master Declaration or Residential Declaration, as applicable:

**"Balcony Areas"**. All areas shown and marked as a "balcony" on the map attached to the Master Declaration.

**"Board of Directors"**. The Board of Directors of the Master Association.

**"Contractor"**. Any party performing construction, repair, remodeling or other services for a Unit or Residence.

**"Governing Documents"**. Individually and collectively, the Act, the Expense Allocation Document, Bylaws, Master Declaration, these Regulations and restrictive covenants; provided, however, that as to a Residence Owner, its Tenant or a Residence, the term "Governing Documents" shall also be deemed to include the Residential Governing Documents.

**"Master Association"**. The Sabine Master Condominium Association, Inc., a Texas non-profit corporation organized under the Act and created for the purposes and possessing the rights, powers, authority and obligations set forth in the Governing Documents.

**"Master Unit/Residence"**. A Master Unit or a Residence.

**"Owner/Residence Owner"**. An Owner or a Residence Owner.

**"Parking Garage"**. The parking garage located in Austin, Texas and attached to the Master Condominium by the skybridge, which parking garage does not constitute part of the Master Condominium but which contains the Parking Garage Spaces leased by Master Declarant from CP Austin Hotel, L.P., pursuant to the Parking Garage Lease.

**"Regulations"**. These rules and regulations, including all Attachments, as well as any (a) rules and regulations posted by the Master Association at any time on the Property, (b) any seasonal or temporary rules posted or communicated to the Owners by the Master Association, and (c) any notices of change or warning affecting the use of the Property, all as may be changed from time to time.

**"Residence"**. This term shall have the meaning as defined in the applicable Residential Condominium Declaration.

**"Residence Owner"**. Any Person (including Residential Declarant) owning fee title to a Residence, but excluding any Person having an interest in a Residence solely as security for an obligation.

**"Residential Association"**. This term shall have the meaning as defined in the applicable Residential Condominium Declaration.

**"Residential Board of Directors"**. This term shall have the meaning as defined in the applicable Residential Condominium Declaration.

## **Section 1.2. Compliance.**

(a) **Compliance**. Each Owner/Residence Owner, and all invitees and Persons using or occupying a Master Unit/Residence belonging to such Owner/Residence Owner, shall comply with the provisions of the Governing Documents and all Legal Requirements, as any of these may be revised from time to time. Each Owner/Residence Owner shall be liable for damages to any Person or property for violations of the Governing Documents by the Residence Owner. The Regulations contained within any specific section shall not be interpreted to apply to the

exclusion of other rules contained in these Regulations which would logically apply to the same subject matter.

(b) Waiver. Circumstances may warrant waiver or variance of these Regulations. To obtain a waiver or variance, an Owner/Residence Owner must make written application to the Master Association. Residence Owners must also make written application to the applicable Residential Association. The Master Association and Residential Association, if applicable, will consider such request and respond to the Owner/Residence Owner in accordance with the Governing Documents. If the application is approved, the waiver or variance must be in writing from both the Master Association and the Residential Association and may be conditioned or otherwise limited. The variance or waiver of any Regulations by the Master Association or a Residential Association for the benefit of any particular Owner/Residence Owner shall not be construed as a waiver of any of the Regulations in favor of any other Owner/Residence Owner nor shall any such waiver or variance prevent the Master Association or any Residential Association from thereafter enforcing any Regulation against any or all of the Owners/Residence Owners.

(c) Right to Enforce. The Master Association has the right to enforce these Regulations against any Person who owns or uses the Property. A Residential Association has the right to enforce these Regulations against any Person who owns or uses a Residence or Residential Common Elements governed by such Residential Association.

(d) Consent of a Residential Association. When required by the Governing Documents for Residence Owners to obtain approval of both the Residential Association and the Master Association, such Residence Owner must obtain the consent of the Residential Association prior to obtaining the consent of the Master Association.

### **Section 1.3. Obligations Of Owners/Residence Owners.**

(a) Master Unit Keys. Each Owner shall at all times maintain with the Master Association a set of all keys required to enter each separately occupied portion of such Owner's Unit as provided in the Master Declaration, and shall provide replacement keys to the Master Association each time a lock on the Master Unit is changed. Each Residence Owner shall at all times maintain with the applicable Residential Association a set of all keys required to enter such Residence Owner's Residence as provided in the applicable Residential Declaration, and shall provide replacement keys to the applicable Residential Association each time a lock on the Residence is changed. The Master Association and the applicable Residential Association assume no liability related to possession of the keys. Except as specifically set forth in the Governing Documents, the keys shall only be used for emergency access and in the event of prior written approval by the Owner/Residence Owner.

(b) Damage. Subject to the insurance requirements and the waiver of subrogation provisions in the Master Declaration, an Owner/Residence Owner is responsible for any loss or damage the Owner/Residence Owner causes to the Unit/Residence and the personal property of other Owners/Residence Owners. By way of example but not limitation, an Owner/Residence Owner is responsible for water damage to the other Master Units/Residences due to water which emanates from such owner's Unit/Residence, including leaks or overflows of sinks, tubs, showers, shower pans, toilets, dishwashers and clothes washers. In case of continuous water overflow, the Owner/Residence Owner should immediately turn off the water source within such Unit/Residence. Any damage to plumbing pipes, drains and apparatus resulting from misuse, or

from unusual or unreasonable use, shall be borne by the Owner/Residence Owner causing such damage.

(c) Insurance. An Owner/Residence Owner assumes full risk and sole responsibility for placing such Owner/Residence Owner's personal property in or on the Property. Each Owner/Residence Owner is required to carry the insurance set forth in the Master Declaration, and also as to any Residence, in the applicable Residential Condominium Declaration.

(d) Reimbursement for Enforcement. Each Owner/Residence Owner shall reimburse the Master Association for any expense incurred by the Master Association to enforce the Governing Documents against such Owner/Residence Owner or such owner's Master Unit/Residence as provided in the Master Declaration. Each Residence Owner shall reimburse the Residential Association governing such Residence for any expense incurred by the Residential Association to enforce the Governing Documents against such Residence Owner or such owner's Residence as provided in the applicable Residential Declaration.

(e) No Estate Sales. A Residence Owner may not conduct on the Property a sale or activity that is advertised or attractive to the public, such as "estate sales," "yard sales" or "garage sales." This Section 1.3(e) does not apply to marketing the sale or rental of a Residence, unless combined with a prohibited activity.

#### **Section 1.4. Occupancy Standards.**

(a) Number of Occupants. As used herein, the term "occupy" means occupancy of a Residence in excess of 7 continuous days or 30 days in any consecutive 12-month period. Subject to any exception for familial status under any applicable fair housing law or other Legal Requirements, no more than two people may occupy any one-bedroom Residence, no more than three people may occupy any two-bedroom Residence and no more than four people may occupy any three-bedroom Residence.

(b) Minors. No individual under the age of 18 years of age may occupy a Residence unless such occupancy is with a Residence Owner or Tenant who is a parent, legal guardian or designee in writing of such minor's parent or legal guardian. A Residence Owner must provide satisfactory proof of the ages and relationships among the occupants of such Residence upon request of the Master Association or the applicable Residential Association.

#### **Section 1.5. Community Etiquette In The Residences and Residential Common Elements.**

(a) Courtesy. Each Residence Owner will endeavor to use such Residence Owner's Residence and the portion of the Residential Common Elements in a manner calculated to respect the rights and privileges of other users of the Property. Each Residence Owner will refrain from conduct that may reasonably be expected to materially endanger the health or safety, annoy, harass, inconvenience, embarrass or offend the average Residence Owner or other users of the Residential Common Elements, including employees, or to reduce the desirability of the Master Condominium as a mixed use community.

(b) Visitors. Visitors to Residences may be required to register at the lobby desk.

(c) Code of Conduct. All Persons will conduct themselves in a civil manner when dealing with the Master Association's and any Residential Association's officers, directors, committee members, Manager, employees, contractors, agents and other Residence Owners. In

return, such Persons are due the same courtesy and civility. The following actions are expressly prohibited: (a) verbal abuse; (b) insults and derogatory name-calling; (c) cursing; (d) aggressive or threatening behavior; (e) hostile touching or physical contact; (f) sexual harassment; (g) publicly posting correspondence; and (h) phone calls that are designed— by their tone, time or frequency — to harass or intimidate.

(d) Employees. An Owner/Residence Owner may not instruct, direct or supervise, or interfere with the performance of duties by, employees or agents of the Master Association, any Residential Association or other Owners (including the Manager and its employees and agents), unless directed to do so by the Master Association (with respect to the Master Association's employees or agents) or such Residential Association (with respect to such Residential Association's employees or agents).

(e) No Hiring of Employees. The employees and agents of the Master Association, the Residential Association, Owners and the Manager are not permitted or authorized to render personal services to Residence Owners, including but not limited to performing services such as walking or caring for pets. The Residence Owners will not request or encourage employees or agents to violate this provision. Emergency situations or requests through the Manager for staff assistance, at such Residence Owner's expense, should be addressed directly to the Manager

(f) Communications among Residence Owners. The Residential Association balances the right of members to communicate with each other against the desire of Persons to be free of uninvited solicitations and misleading communications. To achieve that balance, oral and written communications that are intended for delivery to more than one Residence Owner are subject to this Section 1.5(f).

(i) Without the Residential Board of Directors prior written permission, Residence Owners may not communicate with others in a manner that may give the impression of having been approved or sanctioned by the Residential Association. In communicating with other Residence Owners, the issuer should identify himself and state that the communication has not been sanctioned by the Residence Association.

(ii) Without the Residential Board of Director's prior written permission, a Person may not distribute handbills or hand-deliver written communications to mailboxes, Residence doors or car windshields.

(iii) Without the Residence Board's prior written permission, a Person may not solicit information, endorsements or money from Tenants, or circulate petitions, except via the U.S. mail.

(g) Attire. Residence Owners must wear neat and clean street attire, and are prohibited from wearing lingerie and pajamas as outerwear and being barefoot, in the elevators, lobby and other portions of the Property.

(h) Noise and Odors. Subject to the provisions of these Regulations allowing construction, each Residence Owner will exercise reasonable care to avoid making loud, disturbing or objectionable noises or noxious odors that are likely to disturb Residence Owners of other Residences.

(i) Reception Interference. Residence Owners will avoid doing or permitting anything to be done that may unreasonably interfere with the television, radio, telephonic or electronic reception on or about the Property.

(j) Packages. Each Residence Owner agrees that the Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all other Owners/Residence Owners, Tenants, Manager, Declarant, Residential Declarant, any manager of a Master Unit and any Residential Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees are not responsible for any item or article left with or delivered to the Residential Association's employees or agents (including the Manager and its employees or agents) on behalf of such Residence Owner.

(k) Wildlife. Feeding of birds, squirrels or any wildlife is prohibited on the Property.

(l) Smoking. The smoking of tobacco products is permitted within a Residence and on the Balcony Area of a Residence; provided, however, that the Master Association or the applicable Residential Association may require the purchase and use of air purifiers for an individual Residence if the Master Association or the applicable Residential Association, respectively, determine, in the Master Association's or the Residential Association's sole discretion, that such individual Residence is the cause of smoke infiltrating other areas of the Property. Smoking is prohibited in the Residential Common Elements, including without limitation any elevators, hallways, the Manager's Office, garages and entry foyers. Smoking is also prohibited within 100 feet outside Building entrances.

#### Section 1.6. Leases.

(a) Term and Conditions of Lease of a Residence. Residences may be leased; however: (i) no such lease shall be made for transient or hotel purposes, with all leases shall be for a term of at least one year, (ii) such lease shall be in writing, shall be fully executed, shall state that it is subject in all respects to the provisions of the Residential Governing Documents and shall provide that any failure by the Tenant to comply with the terms and provisions of the Residential Governing Documents shall constitute a default under such lease, (iii) each lease shall be subject to leasing restrictions set forth by the Master Association and the applicable Residential Association, (iv) an executed copy of each lease shall be submitted to the Residential Association promptly following execution and the Residential Association will submit to the Master Association, if requested; and (v) all such leases shall be substantially in the form attached as Attachment A to these Regulations and shall be for not less than an entire Residence. At least ten days before the start of each lease term, the Residence Owner must provide the Master Association and the applicable Residential Association with: (a) a copy of the lease and (b) information about the Tenant(s) in a form acceptable to the Master Association and the applicable Residential Association. As soon as practical after its receipt thereof, the Residence Owner must notify the Master Association and the applicable Residential Association of any changes in Tenant information during the lease term.

(b) Subject to Documents. The mere execution of a lease for a Master Unit/Residence (or any portion of a Master Unit) or use of the Residence (for any period of time) subjects a Person to all pertinent provisions of the Governing Documents to the same extent as if such Person were an Owner/Residence Owner, except as specifically set forth in these Regulations; provided that notwithstanding the foregoing or any provision of the lease between an Owner/Residence Owner and its Tenant, an Owner/Residence Owner shall not be relieved of any obligation under the Governing Documents and shall remain primarily liable under and

pursuant to the Governing Documents for any obligations of Owner/Residence Owner thereunder. The Owner/Residence Owner is responsible for providing such Owner/Residence Owner's Tenant or invitee with the Governing Documents and notifying such Person of any changes. The Master Association and the applicable Residential Association (but only with respect to leases for Residences governed by such Residential Association) have no duty to notify Owners/Residence Owners or Tenants concerning any Legal Requirement. The Master Association and the applicable Residential Association (but only with respect to leases for Residences governed by such Residential Association) may, but are not obligated to, send notices of violations by a Tenant to both the Tenant and to the Owner/Residence Owner of the Master Unit/Residence occupied by the Tenant. Whether or not it is so stated in the lease, a Tenant's violation of the Governing Documents is deemed to be a material default of the lease for which Owner/Residence Owner has all available remedies at law or equity.

(c) Tenant Communications. Owners/Residence Owners shall instruct their Tenants to channel all communications to such Owner/Residence Owner, except for matters pertaining specifically to the Building or Residential Association and emergency matters which shall be directed by the Tenant to the Manager.

**Section 1.7. General Use And Maintenance Of Master Units/Residences.**

(a) Master Units/Residences. The uses allowed in the Master Units/Residences are subject to applicable provisions of the Master Declaration. The Residences must be used solely for private residential purposes, except for Residences owned by Residential Declarant or as provided in the Master Declaration or Residential Declaration, and may not be used for any commercial or business purposes. This restriction does not prohibit use of a Residence for personal, business or professional purposes, provided that: (a) such use is incidental to the Residence's residential use; (b) there is no external evidence of such use; and (c) such use does not entail excessive visits to the Property by the public, employees, suppliers or clients.

(b) Right of Entry. The Master Association, a Residential Association, Owner/Residence Owners or Declarant may enter a Master Unit/Residence as provided in the Master Declaration and the applicable Residential Declaration. In case of an emergency, the right of entry is immediate and, if the Owner/Residence Owner or Tenant has failed to provide a door key or refuses to provide entry, the Owner/Residence Owner is liable for the cost of repairs caused by the chosen method of access under such circumstances.

(c) Maintenance. Any maintenance work on a Residence of a non-de minimus nature or involving more than \$500 in value shall require an executed copy of an agreement substantially in the form attached as Attachment D to these Regulations to be provided to the Master Association and the applicable Residential Association.

(d) Balcony Area. Each Residence Owner will take care that the cleaning of such Residence Owner's Balcony Area does not annoy or inconvenience other Owner/Residence Owners. Nothing shall be thrown or swept out of any windows or doors, and no mops, brooms, dusters, rugs or bedding shall be shaken or beaten from any windows or doors or any portion of the Residential Common Elements. A Balcony Area may not be used for storage purposes If the Master Association or applicable Residential Association determines that a Balcony Area is unsightly (including the need for any cleaning of windows or doors and the presence of any balcony decorations visible from outside the Residence), the Master Association or the applicable Residential Association, respectively, may give the Residence Owner notice of such condition and a reasonable time period in which to correct it, after which the Master Association or the

applicable Residential Association may take corrective action at the Residence Owner's expense. Although items or objects such as doormats, furniture, plants and decorative items may be placed on the Balcony Areas, the Master Association and the applicable Residential Association reserves the right to determine whether a Balcony Area is unsightly or cluttered and may, at its sole discretion, request the removal of such items. A Residence Owner who does not remove such items in a reasonably timely manner shall be subject to fine or other penalty pursuant to the Governing Documents and/or to the disposal of such items by the Master Association or the applicable Residential Association.

(e) Hot Tubs. The use or installation of hot tubs, whirlpools or Jacuzzis (portable or permanently installed) in a Residence or on a Balcony Area is prohibited. This rule does not apply to -a customary bathtub fixture with water jets located within a Residence, but not on the Balcony Area, that is installed pursuant to all applicable Legal Requirements.

(f) Prohibition of Outdoor Cooking or Heating Equipment. The use of outdoor cooking or heating equipment is prohibited anywhere in the Residences or the Residential Common Elements, including charcoal grills, electric or gas grills and hibachis, except with the prior written consent of the Master Association and any applicable Residential Association.

(g) Glass. Each Owner/Residence Owner, at their sole expense, must promptly pay the Master Association to repair and replace any broken or cracked glass in the windows and doors of such Person's Unit/Residence. Replacement windows must conform to the windows that are standard in the Improvements or be approved in writing prior to installation by the Master Association.

(h) Combustibles. Except those retail products sold for exclusive use as cleaning products, a Person may not store or maintain explosives or other combustible materials anywhere on the Property, including within a Residence.

(i) Water Cut-Off. Except as allowed by the Governing Documents or in the case of an emergency, no Person may interfere with or interrupt the Property's water lines, including water lines to any Master Unit/Residence, without the prior knowledge and cooperation of the Master Association.

(j) Report Malfunctions. An Owner/Residence Owner shall immediately upon discovery, report any leak, break or malfunction in any portion of the Property to the Manager. An Owner/Residence Owner who fails to promptly report a problem in such owner's Master Unit/Residence may be deemed negligent and may be liable for any additional damage caused by the delay, if such Owner/Residence Owner reasonably should have known further damage would likely occur due to the delay in reporting such problem.

(k) Cable/Satellite.

(i) A Residence Owner who subscribes directly to cable or satellite service is solely responsible for the cost and maintenance of the subscription and the appurtenant equipment; provided that no antennas or satellite dishes may be installed except in compliance with these Regulations. A Residence Owner who obtains cable or satellite service through the Master Association (in the event the Master Association were to provide such service, at its sole discretion) is responsible for the proper use, maintenance and return of cable connections or equipment. No additional exterior cable lines may be



connected to a Residence or Balcony Area, except as stated in Attachment C to these Regulations.

(ii) The Master Association or Manager may elect to install a central antenna system that enables Owners/Residence Owners to receive satellite television services without the need for installation of individual antennas within Owners/Residence Owners' Master Units/Residences or Balcony Areas. If Master Association or Manager installs a central antenna system, then Owners/Residence Owners desiring satellite television from any provider who offers services over the central antenna system may not install individual antennas within their Master Units/Residences or Balcony Areas except as permitted by applicable laws and regulations; rather, Owners/Residence Owners must receive the provider's satellite television services through the central antenna system.

(iii) Except as provided in Section 1.7(k)(ii) of these Regulations, the Master Association, Residential Association, Manager and Residential Manager shall not prohibit the installation, maintenance or use of antennas used to receive those video programming or fixed wireless services described in the Over-the-Air Reception Device Rule ("OTARD") adopted by the Federal Communications Commission. An Owner/Residence Owner shall be permitted to install or maintain an antenna permitted by OTARD within those areas of Owner/Residence Owner's Master Unit/Residence or Balcony Areas that are in Owner/Residence Owner's exclusive use and control, subject to reasonable safety rules established by the Master Association, Residential Association, Manager and Residential Manager from time to time; provided, however, that no such antenna or related structures shall be erected on, or fastened to, the roof, any exterior wall of a Unit/Residence, or on any portion of the Common Elements, without the prior written consent of the Master Association, Residential Association, Manager and Residential Manager, as applicable.

(iv) Prior to the installation of any antennas and related structures permitted by OTARD, each Residence Owner shall execute an agreement substantially in accordance with the document attached as Attachment B to these Regulations.

(l) Utilities. Owners/Residence Owners shall not overload existing electrical circuits and plumbing facilities in such Owners/Residence Owners' Master Unit Residence.

(m) No Right to Vent or Cut Into Chases, etc. Subject to the Governing Documents, under no circumstances whatsoever, may any Residence Owner, directly or indirectly, vent or cut into any chute, duct, conduit or vertical chase or any plumbing that serves a Residence.

(n) Signage; Advertising. Subject to the provisions of the Signage Easement or as may be otherwise provided in the Master Declaration, no sign, advertisement or notice shall be inscribed, painted, affixed or placed on any part of the Property.

(o) Infestation. No Owner/Residence Owner shall permit or suffer a condition within the owner's Unit/Residence that encourages the infestation thereof by pests, insects, rodents or other vermin. Failure to comply with the foregoing, or the failure to report such infestation to the Master Association and the applicable Residential Association (but only with respect to Residence Owner's governed by such Residential Association) as soon as the Owner/Residence Owner is aware of same, will render such Owner/Residence Owner liable for all costs and expenses incurred in having to eradicate such infestation.

(p) Window Air Conditioning Unit. No window heating or air conditioning unit shall be installed within any Residence.

(q) Commercial Unit. The Owner of the Commercial Unit shall be entitled to maintain and operate and/or to permit the maintenance and operation of restaurant seating areas on the outside sidewalk spaces immediately adjacent to any restaurant operations within the respective Master Units of the Building; provided, that the dimensions, design and operations of any such outside seating area will comply in all respects with the Regulations and all Legal Requirements. The Residential Unit Owner shall not unreasonably interfere with the Retail Unit Owner in connection with the use of the Commercial Unit or application for, and procurement and maintenance of, any and all permits required with respect to such outside seating areas under any Legal Requirements. All of the provisions of the Governing Documents applicable to the Commercial Unit shall apply to any such outside seating areas (not already within the Commercial Unit) as though such areas were contained within and included as a part of the Commercial Unit in which the operations for which such outside seating area is situated.

#### **Section 1.8. General Use Of The Residential Common Elements.**

(a) Access Cards or Other Access Controls. Admittance to the Residential Common Elements may require use of a coded access key fob, in which case an appropriate key fob will be issued to Residence Owners through the Management Office. Access key fobs are personal to the Person to whom they are issued and may not be transferred or assigned except to Tenants or other third parties approved by the Management Office and pursuant to a form approved by the Master Association and the applicable Residential Association. Any Person in possession of an access key fob will, upon request of the Master Association or the applicable Residential Association, produce a valid driver's license or other picture identification. An access key fob found in the possession of a Person to whom it is not issued will be confiscated. Replacement of a lost or confiscated access key fob, or the purchase of an additional access key fob, requires payment of a fee set by the Master Association. The Management Office shall issue no more than two key fobs per Residence without the special consent of the Master Association.

(b) Hallways. No item or object of any type may be stored, placed or maintained anywhere on the portion of the Residential Common Elements (other than the Balcony Areas) serving the Residences, including hallways and stairwells. The exterior of a Residence, including the front door or windows, may not be decorated or customized.

(c) Use of Elevators. The Residential Association may designate one of the elevators for use as a casual (service) elevator to be used by service workers and by any Residence Owner (a) accompanied by pets or (b) carrying bulky parcels or moving any item.

(d) Fire and Safety. Except in the event of a relevant emergency, no Person may use, tamper with, pry open or modify any fire or safety equipment on the Property, including alarms, extinguishers, monitors and self-closing doors.

(e) Landscaping. No Residence Owner shall harm, mutilate, alter, litter, uproot or remove any of the landscaping work on or within the Common Elements, or place or affix any planters, statues, fountains ornamental objects or artificial plants upon any portion of the Residential Common Elements (other than the Balcony Areas as provided in these Regulations), without the prior written consent of the Master Association and the applicable Residential Association. Digging, planting, pruning and climbing in any landscaped areas (other than the Balcony Areas as provided in these Regulations) are expressly prohibited.

(f) Clotheslines. No hanging or drying of clothes shall be allowed on (or within) any portion of the Property, and no pulley clothesline or similar device shall be affixed to or used in connection with any Master Unit/Residence.

(g) Residential Parking Spaces for the Residences.

(i) Except as otherwise specifically provided in the Governing Documents, no Person shall have the right to use a Residential Parking Garage Space in the Parking Garage except the Residence Owner, or a Tenant of such Residence pursuant to the Tenant's lease, to whom such Residential Parking Space is assigned pursuant to the Governing Documents. No Person shall have the right to use a Residential Parking Garage Space in the Parking Garage which is specifically identified as a "visitor" space, except a visitor to a Residence. Residence Owners shall notify the Master Association and applicable Residential Association immediately of any dangerous conditions on or about the Residential Parking Spaces.

(ii) Residential Parking Garage Spaces may not be altered in any way by the Residence Owner.

**Section 1.9. Construction and Architectural Control of a Residence.**

(a) Prohibited Changes to the Residential Common Elements. Without the prior written approval of the Master Association and the applicable Residential Association, a Residence Owner may not change, remodel, decorate, destroy or improve the Residential Common Elements, or do anything to change the appearance of the Residential Common Elements, including the hallways, hallway entry doors or windows or Balcony Areas.

(b) Windows and Doors. The interior doors and windows of a Residence must conform to the building standard unless otherwise approved in advance by the Master Association and the applicable Residential Association. No enclosures, awnings, shades or shutters shall be erected over or outside any windows or Balcony Area appurtenant to any Residence, and no exterior doors shall be removed, replaced or changed in any way, without the prior written consent of the Master Association and the applicable Residential Association. All door and window treatments visible from the exterior of the Residence shall be white in color and shall not be foil. Nothing shall be placed on the outside of window sills or projections or upon any patio railings, without the prior written consent of the Master Association and the applicable Residential Association. No screen or storm doors or windows shall be installed within any existing door or window openings which form part of the Residential Common Elements. A Residence Owner may not alter the color or appearance of the glass surfaces in the Residence's windows from the building standard.

(c) Balcony Areas. Because certain materials trap moisture which deteriorates the balcony structure, the floors of Residence Balcony Areas may not be covered or resurfaced without the Master Association's and the applicable Residential Association's prior written permission. The Master Association and the applicable Residential Association prohibit the use of carpeting on Balcony Areas. A Residence Balcony Area structure may not be enclosed or altered in appearance.

(d) Application for Master Association's and Applicable Residential Association's Approval. As part of the application to the Master Association and the applicable Residential Association for their written consent for any alteration or modification, a Residence Owner must

submit to the Master Association and the applicable Residential Association complete plans and specifications showing the nature, kind, shape, size, materials, colors, connection to Condominium systems and location for all proposed work and any other information reasonably requested by the Master Association and the applicable Residential Association.

(e) Construction Hours. Without the Master Association's and the applicable Residential Association's prior permission, no construction may be performed in any Residence by any Person except between the hours of 8:30 a.m. and 5:00 p.m. on business days. This rule is intended to prevent disturbances by construction-related utility cutoffs, noise, odors, workmen and activity between 5:00 p.m. and 8:30 a.m. and on Saturday, Sunday or holidays.

(f) Understanding and Agreement Concerning Contract Work. As a condition to the Master Association's and the applicable Residential Association's written approval of any construction work in a Residence (which approval is required for any work on a residence of a non-de minimus nature or involving more than \$500 in value), the Residence Owner and the Contractor must execute and deliver to the Master Association and the applicable Residential Association an agreement substantially in the form of the document attached as Attachment A to these Regulations.

#### **Section 1.10. Residence Owner Vehicle Restrictions.**

(a) Residential Parking Garage Spaces. A Residence Owner shall hold any Residential Parking Garage Space it has subleased from the Residential Association in accordance with and subject to the Residential Governing Documents. Residential Parking Garage Spaces shall be subleased and held or used by Residence Owners and Residential Tenants pursuant to the Residential Parking Space Sublease attached as Attachment B to these Regulations. The Residential Parking Space Sublease shall provide for the sublease of a Residence Owner's Residential Parking Garage Space by a Residential Tenant, but a Residence Owner shall not be permitted to directly sublease their Residential Parking Garage Spaces with a Residential Tenant or any other person. Except as otherwise specifically provided in the Residential Governing Documents, no person shall have the right to use a Residential Parking Garage Space except a Residence Owner or Residential Tenant. Residential Parking Garage Spaces may not be enclosed or altered in any way.

(b) Authorized Vehicles. To be permitted in the Parking Garage, a vehicle must be operable and must display a current license tag and current inspection sticker. To use the Parking Garage or valet parking services, a Residence Owner's vehicle must have a current parking sticker or reader issued by a garage valet on instruction from the Manager. For purposes of these Regulations, unless otherwise determined by the Master Association, permitted vehicles include automobiles, motorcycles, motorized bikes, passenger trucks, small vans, SUVs and similar passenger vehicles not exceeding 18 feet in length, seven feet in height and eight feet in width.

(c) Motorized Vehicle Prohibitions. Commercial vehicles, including trucks, trailers, vans, recreational vehicles, busses, boats, water craft, machinery or equipment, are prohibited on any portion of the Parking Garage. No vehicle shall be parked in any portion of the Parking Garage other than in a designated Residential Parking Garage Space without the prior written consent of the Master Association and the applicable Residential Association. No servicing or repairs shall be made to any vehicle either on or within the Parking Garage or any Common Elements, except for emergency repairs as necessary to enable movement of the vehicle to a repair facility. No vehicle shall be driven on or within any part of the Residential Common Elements or Parking Garage, other than on a driveway or designated Residential Parking Garage

Space. Car washing is prohibited anywhere on the Residential Common Elements. Residential Parking Spaces shall only be used for vehicle parking purposes.

(d) Non-Motorized Vehicle Prohibitions. Bicycles, skateboards, rollerblades and other non-motorized wheeled or similar devices may not be ridden, and must be walked; on the Property and the Parking Garage.

(e) Proper Placement. Each vehicle must be parked straight-in (not angled or sideways), so that it does not occupy more than one space within the Parking Garage. Motorcycles or bicycles may not be chained to buildings, fences or any other part of the Property, unless designated for that purpose.

(f) Nuisances. Each vehicle must be muffled and must be maintained and operated to minimize noise, odor and oil emissions. The use of car horns on the Residential Common Elements or Parking Garage is discouraged, except for the judicious use of a horn for right of way. Signs advertising a vehicle "for sale" are prohibited. No vehicle may be kept on the Property or the Parking Garage, if the Master Association or the applicable Residential Association deems it to be unsightly, inoperable, inappropriate or otherwise in violation of these Regulations.

(g) Fire Lanes/Obstructions. No vehicle may be parked in a manner that impedes or prevents ready access to the Property, Parking Garage, driveways, parking spaces or garage. No Residence vehicle may obstruct the flow of traffic, constitute a nuisance or otherwise create a safety hazard. No vehicle may be parked, even temporarily, in spaces reserved for others, in fire lanes or in any area designated as "No Parking."

(h) Violations. A vehicle or non-motorized device in violation of these Regulations may be stickered, wheel-locked, towed or otherwise removed from the Property by the Manager, at the Owner/Residence Owner's expense. The Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all Owners/Residence Owners, Tenants, Manager, Declarant, Residential Declarant, any manager of a Unit or any Residential Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees expressly disclaim any liability for damage to vehicles occasioned by the exercise of these remedies.

#### **Section 1.11. Trash Disposal.**

(a) General Duty. All Persons will endeavor to keep the Property clean, will dispose of all refuse and trash (except as set forth in these Regulations) in receptacles for that purpose, will not litter the Property, will place lighted or smoldering items, including cigarettes, only in designated containers (and not in general trash receptacles) and will not store trash in a manner that unreasonably permits the spread of fire, odors or seepage or encouragement of vermin.

(b) Specific Rules. Owners/Residence Owners must place trash in a sealed or tied container or bag before putting it in the trash chute (making certain that the door to the trash chute is securely closed after using it) or any designated trash receptacle. Large boxes and bulky objects must be placed neatly in secured containers on the loading dock or such other place designated for such items. Construction materials, solvents, paints and toxic waste must be removed from the Property by the Owner/Residence Owner or its contractor. If provided, a separate receptacle for newspapers and glass items should be used at all times.

(c) Excess Trash. An Owner/Residence Owner will place trash entirely within the trash chutes located on each floor. Boxes and large objects should be crushed or broken down before placed in the trash chute. Items that will not safely fit into the trash chutes shall be carried out of the building and placed in one of the designated exterior dumpster. An Owner/Residence Owner must arrange privately for removal of discarded furnishings or any unusually large volume of debris.

#### **Section 1.12. Pets in Residences.**

(a) Subject to Regulations. Residence Owners may not keep or permit on the Property an animal of any kind, at any time, except a pet permitted by these Regulations, the Governing Documents and Legal Requirements. Pets may be kept only in Residences that are Residence Owner occupied.

(b) Pet Agreement. Residence Owners must complete a pet registration form furnished by the Management Office immediately upon acquiring a pet or the Residence Owner occupying a Residence.

(c) Permitted Pets. Permitted house pets are limited to domesticated dogs, cats, caged birds, aquarium fish, and other small pets that are normally available for sale in a pet store.

(d) Prohibited Pets. No Person may keep a dangerous animal, wild undomesticated animal, pit bull terrier, trained attack dog or any other animal determined by the Master Association or the applicable Residential Association in their sole discretion to be a potential threat to the well-being of people or other animals. No pet may be kept, bred or maintained for any commercial purpose. Animals belonging to Persons other than Residence Owners, such as guests, friends and relatives, are prohibited from being on the Property, even for short visits or temporary stays.

(e) Indoors/Outdoors. A Residence Owner's permitted pet must be maintained inside the Residence, and may not be on a Balcony Area except when the Residence Owner is on the Balcony Area. No pet may use a Balcony Area as a latrine area.

(f) Leashes. Pets must be leashed or carried while in any portion of the Property outside of the Residences. If applicable, pets may be transported through the first floor elevator lobby or the main lobby only if carried. Pets may not be leashed to a stationary object on any portion of the Property outside of the Residences. No pet is allowed in the Recreational Facilities.

(g) Disturbance. Pets must be kept in a manner that does not disturb another Residence Owner's peaceful enjoyment of such Residence Owner's Residence or any Person elsewhere on the Property, outside of the Residences. No pet may be permitted to bark, howl, whine, screech or make other loud noises for extended or repeated periods of time, or to create a nuisance, odor, unreasonable disturbance or noise.

(h) Damage. Each Residence Owner is responsible for any property damage, injury or disturbance such Residence Owner's pet may cause. A Residence Owner who keeps a pet at the Master Condominium is deemed to indemnify and agrees to hold harmless the Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all other Owners/Residence Owners, Tenants, Manager, Declarant, Residential Declarant, any manager of a Unit and any Residential Association and each of their respective

officers, directors, partners, members, committee members, agents, attorneys and employees from any loss, claim or liability of any kind or character whatever resulting from any action of such Residence Owner's pet or arising by reason of keeping or maintaining the pet at the Master Condominium.

(i) Dog Walk and Pooper Scooper. Pets must only use designated areas to relieve themselves. Residence Owners are responsible for the removal of pet wastes from the Property. The Master Association and the applicable Residential Association may levy a fine or take other action against a Residence and its Residence Owner each time feces or urine are discovered on any portion of the Property outside of the Residences and are attributed to an animal in the custody of that Residence's Owner.

(j) Removal. If a Residence Owner or such Residence Owner's pet violates these Regulations, the Residence Owner or Person having control of the animal may be given a written notice by the Master Association or the applicable Residential Association to correct the problem. After the first written warning, a fine in the amount of at least \$25 shall be levied for all future violations. If violations occur repeatedly, the Residence Owner, upon written notice from the Master Association or the applicable Residential Association, may be required to remove the pet. Each Residence Owner agrees to permanently remove the violating animal of such Residence Owner from the Property within ten days after receipt of such removal notice.

#### **Section 1.13. Residence Moving.**

(a) Notice. The time and date of all Residence moves must be scheduled in advance with the Master Association and the applicable Residential Association, and dock usage is subject to availability. All Persons must give the Manager at least ten days prior written notice of any requested move of furniture, appliances or other large or heavy objects to or from a Residence and must complete the required move form which is available from the Manager.

(b) Times. Moves must be performed between 8:30 a.m. and 5:30 p.m. on business days. It is the Residence Owner's duty to notify movers and any other coordinating parties about these Regulations.

(c) Deposits. Scheduling a move and reserving an elevator may require payment of a deposit which shall be in an amount set by the Master Association. Such deposit will be refunded to the Residence Owner within ten days after the move, to the extent there is no damage to any portion of the Property or other violation of these Regulations.

#### **Section 1.14. Miscellaneous.**

(a) Mailing Address. An Owner/Residence Owner who receives mail at an address other than the address of such owner's Master Unit/Residence is responsible for maintaining with the Master Association and the applicable Residential Association such Owner/Residence Owner's singular current mailing address. An Owner/Residence Owner who changes such Owner/Residence Owner's name or mailing address must notify the Master Association and the applicable Residential Association in writing within ten days after the change. Notifications of change of name or change of address should be clearly marked as such. All notices required to be sent to Owners/Residence Owners by the Governing Documents will be sent to an Owner/Residence Owner's most recent address as shown on the records of the Master Association and the applicable Residential Association. If an Owner/Residence Owner fails to

provide a forwarding address, the address of such owner's Master Unit/Residence is deemed effective for purposes of delivery.

(b) No Waiver. The failure of the Master Association or any Residential Association to enforce a provision of these Regulations does not constitute a waiver of the right of the Master Association or any Residential Association to enforce such provision in the future or to treat Owners differently in enforcing these Regulations.

(c) Severability. If any term or provision of these Regulations is held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding will not affect any other term or provision of these Regulations.

(d) Amendment of Regulations. These Regulations may be revised, replaced, amended or supplemented by the Master Association. Owners/Residence Owners are urged to contact the Management Office to verify the Regulations currently in effect on any matter of interest. These Regulations will remain effective until ten days after the Master Association delivers to each Owner/Residence Owner, or publishes and distributes in a Master Association newsletter or other community-wide publication, notice of amendment to, or revocation of, these Regulations.

(e) Complaints. Any complaints about violations of these Regulations shall be made in writing to the Master Association and the applicable Residential Association (if such complaints involve a Residence Owner) and shall identify the type of infraction and the date of infraction and must be signed by the witness to the infraction.

(f) Other Rights. These Regulations are in addition to all rights of the Master Association and the Residential Association under the other Governing Documents and the laws of the State of Texas.

(g) Release. Although all Tenants and Residence Owners are required to sign releases of liability releasing and holding harmless the Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all other Owners/Residence Owners, other Tenants, Manager, Master Declarant, Residential Declarant, any manager of a Unit and any Residential Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees from any and all liability, claims, losses and actions arising out of or in connection with the use of any of the Residential Common Elements, the mere ownership occupancy of a Residence or use of such Residential Common Elements, in and of itself, by any Person shall constitute a full and complete release and indemnification of the Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all other Owners/Residence Owners, Tenants, Manager, Declarant, Residential Declarant, any manager of a Unit and any Residential Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees arising out of and in connection with any such activities. The Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all Owners/Residence Owners, Tenants, Manager, Declarant, Residential Declarant, any manager of a Unit and any Residential Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees expressly disclaim and disavow any and all representations or warranties, expressed or implied, including any warranty of fitness or safety for any particular purpose, relative to any of the Residential Common Elements or any property associated with the Residential Common Elements.



(h) Risk. Each Person uses the Residential Common Elements at such Person's own risk. The Residential Common Elements, and Recreational Facilities are unattended and unsupervised. Each Person is solely responsible for such Person's own safety. The Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, the other Owners/Residence Owners, the other Tenants, Manager, Declarant, Residential Declarant, any manager of a Unit and any Residential Association and each of their respective officers, directors, partners, members, committee members, agents, attorneys and employees disclaim any and all liability or responsibility for property damage, injury or death occurring from use of the Residential Common Elements, and Recreational Facilities.

(i) Compliance. To the extent mandated by Legal Requirements, disabled Residence Owners who are unable to comply with these Regulations because of their disability, shall receive a variance by the Master Association and the applicable Residential Association.

These Regulations are solely for the benefit of the Manager, the Owners, the Master Association, the Board of Directors, the Residential Association and the Residential Board of Directors, as well as their officers, directors, employees and agents and are not for the benefit and may not be relied upon in any manner by any Person. Rights and obligations of the Master Association or Residential Association may be exercised by the applicable Association's Designees, including the Manager.

## ARTICLE II.

### RULES GOVERNING COLLECTION AND FINING

#### Section 2.1. Collection Rules and Procedures.

To the extent permitted by applicable law and in addition to the collection rules and procedures in Article VII of the Master Declaration and Residential Declaration and other applicable provisions therein:

(a) Insufficient Funds. The Master Association and the Residential Association may levy a charge of at least \$25 or the actual bank charge, whichever is greater, against an Owner/Residence Owner if the check on which payment is made is returned to the Master Association or the Residential Association marked "insufficient funds" or the equivalent.

(b) Collection by Master Association's and the Residential Association Attorney. After giving the Owner/Residence Owner notice of the delinquency, the Master Association and the Residential Association may refer the delinquent account to an attorney for collection. In that event, the defaulting Owner/Residence Owner will be liable to the Master Association and the Residential Association for its legal fees and expenses.

(c) Collection Agency. The Board of Directors and the Residential Board of Directors may employ or assign the delinquency to one or more collection agencies.

(d) Notification of Credit Bureau. The Master Association and the Residential Association may file a report on the defaulting Owner/Residence Owner with one or more credit reporting services.

(e) Right to Accelerate. If an Assessment or a Residential Assessment is payable in installments and if an Owner/Residence Owner defaults in the payment of any installment, the Master Association (with respect to an Assessment) and the Residential Association (with respect

to a Residential Assessment) may declare the entire Assessment or Residential Assessment in default and accelerate the due date on all remaining installments of that Assessment or Residential Assessment.

(f) Notice to Owner/Residence Owner. A Special Assessment or Special Residential Assessment payable in installments may be accelerated only after the Master Association (with respect to a Special Assessment) or the Residential Association (with respect to a Special Residential Assessment) gives the Owner/Residence Owner at least 15 days prior notice of the default and the Master Association's or the Residential Association's intent to accelerate the unpaid balance if the default is not cured within such notice period. Notice shall be provided by certified mail, return receipt requested, addressed to the Owner/Residence Owner at the most recent address for the Owner/Residence Owner in the Master Association's or the Residential Association's records, and such notice shall be effective upon deposit in a receptacle under the control of the U.S. Post Office.

(g) No Duty to Reinstate. Following acceleration of an Assessment or a Residential Assessment payable in installments, the Master Association and the Residential Association have no duty to reinstate the installment program upon payment by the Owner/Residence Owner of any delinquent installment.

(h) Form of Payment. The Master Association and the Residential Association may require that payment of delinquent Assessments or Residential Assessments be made only in the form of cash, cashier's check, or certified funds.

(i) Partial and Conditioned Payment. The Master Association (with respect to Assessments) and the Residential Association (with respect to Residential Assessments) may refuse to accept partial payment (i.e., less than the full amount due and payable) and payments to which the payor attaches conditions or directions contrary to the Board of Directors' or the Residential Board of Directors' policy for applying payments. The Master Association's and the Residential Association's endorsement and deposit of such payment does not constitute acceptance. Instead, acceptance by the Master Association and the Residential Association occurs when the Master Association or Residential Association posts such payment to the Unit's/Residence's account. If the Master Association or the Residential Association does not accept such payment at that time, it will promptly refund such payment to the payor. A payment that is not refunded to the payor within 30 days after being deposited by the Master Association or the Residential Association may be deemed accepted. The acceptance by the Master Association (with respect to an Assessment) or the Residential Association (with respect to a Residential Assessment) of partial payment of delinquent Assessments or Residential Assessments does not waive the Master Association's or the Residential Association's right to pursue or to continue pursuing its remedies for payment in full of all outstanding obligations or the Master Association's or Residential Association's right to apply payments pursuant to any rights herein granted.

(j) Notification of Credit Reporting Agency. If the Master Association (with respect to an Assessment) or the Residential Association (with respect to a Residential Assessment) receives full payment of the delinquency after reporting the defaulting Owner/Residence Owner to a credit reporting service, the Master Association or the Residential Association will report receipt of payment to that credit reporting service.

(k) Waiver. properly levied collection costs, late fees, and interest may not be waived by the Board of Directors (with respect to Assessments) or the Residential Board of

Directors (with respect to Residential Assessments) unless a majority of the Board of Directors or the Residential Board of Directors determine that extraordinary circumstances warrant an adjustment to the account, in which case the adjustment must be described in detail in the minutes of the Board of Directors' or the Residential Board of Directors' meeting. Because of the potential for inadvertently effecting a waiver of the provisions of this policy, the Board of Directors and Residential Board of Directors will exercise extreme caution in granting adjustments to an Owner's/Residence Owner's account.

## **Section 2.2.    Fining Rules and Procedure.**

(a)    Policy. The Master Association and the Residential Association use fines to discourage violations of the Governing Documents and to encourage present and future compliance when a violation does occur. Fines are not intended to punish violators or generate revenue for the Master Association or the Residential Association.

(b)    Owners/Residence Owners Liable. An Owner/Residence Owner is liable for fines levied by the Master Association and the Residential Association for violations of the Governing Documents whether the Owner/Residence Owner commits the violation or Tenants/Residential Tenants, guests or other invitees of such Owner/Residence Owner commit the violation. Regardless of who commits the violation, the Master Association and the Residential Association will direct its communications to the Owner/Residence Owner, although the Master Association and the Residential Association may also send copies of its notices to the actual violator.

(c)    Violation Notice. Before levying a fine, the Master Association or the Residential Association will give the Owner/Residence owner a written violation notice and an opportunity for a hearing. The Master Association's or the Residential Association's written violation notice will contain the following items: (i) the date the violation notice is mailed or prepared; (ii) a description of the violation; (iii) a reference to the rule being violated; (iv) a statement that not later than the 30<sup>th</sup> day after the date of the violation notice, the Owner/Residence Owner may request a hearing before the Board of Directors or the Residential Board of Directors to contest the fine and (vii) the date the fine attaches or begins accruing.

(d)    First Violation. If the Owner/Residence Owner was not given notice and a reasonable opportunity to cure a similar violation within the preceding 12 months, the notice will state a specific date by which the violation must be cured to avoid the fine, if the violation is ongoing or continuous. If the violation is not ongoing, but is instead sporadic or periodic, the notice must state that any future violation of the same rule may result in the levy of a fine.

(e)    Repeat Violation. In the case of a repeat violation, the notice will state that, because the Owner/Residence Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding 12 months, the fine attaches from the date of the violation notice.

(f)    Right to Hearing. An Owner/Residence owner may request in writing a hearing by the Board of Directors or the Residential Board of Directors regarding an alleged breach of the Governing Documents. The Board of Directors and the Residential Board of Directors have 10 days after receiving the Owner's/Residence Owner's request for a hearing to give the Owner/Residence owner notice of the time, place and date of the hearing. The hearing must be scheduled for a date within 45 days from the date the Master Association or the Residential Association receives the Owner's/Residence Owner's request and should be scheduled to provide

a reasonable opportunity for both the Board of Directors or the Residential Board of Directors, as applicable, and the Owner/Residence Owner to attend. The Owner's/Residence Owner's request for a hearing suspends only the levy of a fine. The hearing will be held in a closed or executive session of the Board of Directors or the Residential Board of Directors. At the hearing the Board of Directors or the Residential Board of Directors will consider the facts and circumstances surrounding the violation and the Owner/Residence Owner may attend in person, or may be represented by another person or written communication.

(g) Committee of Board of Directors. The Board of Directors or the Residential Board of Directors may appoint a committee comprised solely of directors, and having at least three members, to serve as the Board of Directors or the Residential Board of Directors at violation hearings. The Board of Directors and the Residential Board of Directors will be bound by the decision of the Board of Directors committee or the Residential Board of Directors committee, respectively. Such a committee may be appointed on an ad hoc basis.

(h) Levy of Fine. Within 30 days after levying the fine, the Master Association or the Residential Association must give the Owner/Residence Owner notice of the levied fine. If the fine is levied at the hearing at which the Owner/Residence Owner is actually present, the notice requirement will be satisfied if the Board of Directors or the Residential Board of Directors announces its decision to the Owner/Residence Owner at the hearing; otherwise, the notice must be in writing.

(i) Amount. The Master Association and the Residential Association may set fine amounts on a case-by-case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation. The Master Association and the Residential Association may establish schedules of fines for certain types of violations. The amount and cumulative total of a fine must be reasonable in comparison to the violation and should be uniform for similar violations of the same provision of the Governing Documents.

(j) Type of Levy. If the violation is ongoing or continuous, the fine may be levied on a periodic basis beginning on the start date. If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.

(k) Collection of Fines. Neither the Master Association nor the Residential Association is entitled to collect a fine from an Owner/Residence Owner to whom it has not given notice and an opportunity to be heard. Neither the Master Association nor the Residential Association may foreclose its assessment lien on a debt consisting solely of fines. The Master Association and the Residential Association may not charge interest or late fees for unpaid fines.

(l) Effective Date. These fining rules will become effective ten days after the Master Association or the Residential Association delivers, or causes to be delivered, a copy of these Regulations to an Owner/Residence Owner as shown on the records of the Master Association or the Residential Association.

(m) Amendment of Policy. These fining rules will remain effective until ten days after the Master Association delivers, or causes to be delivered, to an Owner/Residence Owner notice of amendment to or revocation of these Regulations. The notice may be published and distributed in a Master Association newsletter or other community-wide publication.

**ATTACHMENT A  
STANDARD FORM OF RESIDENCE LEASE**

1. **PARTIES.** This Residential Lease (the "*Lease*") between \_\_\_\_\_ ("*Owner*") and \_\_\_\_\_ ("*Tenant*"), whereby Owner leases to Tenant the Residence described below.

2. **RESIDENCE** described as Residence No. \_\_\_\_\_ the ("*Residence*") in the Block C Residences, a Residential Condominium, a condominium project, located at \_\_\_\_\_ ("*Condominium*").

3. **TERM.** This Lease shall be for a term of not less than twelve months, beginning on the \_\_\_\_\_ day of \_\_\_\_\_, and ending on the \_\_\_\_\_ day of \_\_\_\_\_.

4. **RENTAL** of \$ \_\_\_\_\_ per month ("*Rental*"), payable at the designated address given herein, in advance without demand or a grace period, on or before the first day of each month ("*Due Date*") during the period of this Lease. Receipt is hereby acknowledged of the pro-rated Rental in the sum of \$ \_\_\_\_\_ for Rental to the first Due Date. Rental paid after Due Date is delinquent and the provisions of paragraph 14 below shall apply. At the option of Owner, Tenant shall additionally pay interest at the Past Due Rate for payments made after the Due Date, until Rental is paid in full, and \$25.00 for each check dishonored by Tenant's bank for any reason.

5. **CLEANING CHARGE.** Tenant agrees to pay on execution hereof a non-refundable cleaning charge of \$ \_\_\_\_\_. The charge does not relieve Tenant of the responsibility to maintain and clean the Residence as outlined herein.

6. **SECURITY DEPOSIT.** Tenant agrees to pay on execution hereof a security deposit ("*Deposit*") of \$ \_\_\_\_\_ for the faithful performance of the terms and conditions of this Lease by Tenant. Such deposit is not to be construed as Rental.

7. **RETURN OF DEPOSIT.** Subject to paragraph 8 below, the Deposit shall be refunded to Tenant by mail within 30 days of the date Tenant surrenders the Residence and delivers to Owner in writing Tenant's forwarding address. Surrender shall occur on the earliest date when it appears to Owner that the Residence is vacant and Tenant has moved, all keys have been returned to Owner and any Deposit deductions have been evaluated and calculated.

8. **DEPOSIT DEDUCTIONS.** There shall be deducted from the Deposit unpaid (a) sums due under this Lease; (b) Rental; (c) utilities; (d) damages or required repairs to the Residence or its contents beyond reasonable wear and tear; (e) cost of removing unauthorized locks; (f) removing and storing Abandoned property; (g) removing vehicles that are Abandoned, illegally parked, parked in violation of this Lease or in violation of the Governing Documents or Owner's rules; (h) replacing unreturned keys and/or change of locks; (i) cost of extermination if necessary; (j) other charges provided for herein or agreed to by Owner and Tenant. Owner shall provide Tenant a written report of any deductions. The Deposit shall be applied first to non-Rental items, with the balance to Rental. In the event the Deposit is insufficient to pay for damages or unpaid charges under the terms of this Lease, Tenant shall promptly pay same upon demand by Owner.

9. **TENANT'S REQUIRED NOTICE.** Tenant agrees to give Owner a minimum of 30 days written notice prior to the expiration of the term of this Lease or any extension thereof of Tenant's intent to vacate the premises. Failure to do so shall entitle Owner to retain the entire Deposit.

10. **HOLDING OVER.** If Tenant fails to vacate the Residence at the end of the Lease term, or on any agreed move out date, Owner shall have the option to assess Rental for the hold over period at twice the Rental agreed to herein which shall be payable at a daily rate computed on the basis of a 30-day month and shall be payable daily at the designated address herein without waiving Owner's rights under paragraph 14 below.

11. **ABANDONMENT.** If Tenant is absent from the Residence for five consecutive days while any sum of money due hereunder remains unpaid, or has been evicted by judicial process, the Residence and all personal property found in or about the Residence, including storage buildings and parking areas, may be deemed abandoned by Owner ("*Abandoned*"), and Owner or their agents may peacefully enter, remove and store same. Owner shall be entitled to reasonable charges for removal, packing and storage of Abandoned property.

12. **LIENS.** An express contractual lien and a landlord's lien where permitted by law are hereby granted Owner on all non-exempt personal property of Tenant to secure payment of the Rental. Owner or his agent may peacefully enter the Residence to remove and store such property. Owner may sell all property deemed Abandoned, seized under a valid lien, or removed under a court eviction order, to the highest bidder at a public or private sale, after first giving Tenant 30 days written notice of the time, date and place of the sale, by certified mail, return receipt requested, addressed to Tenant at the address given herein. Sale shall be to the highest bidder for cash and subject to any unrecorded lien. The proceeds shall be applied first to the costs of sale, then to sums due Owner, with the remainder mailed to Tenant at address shown herein. The Residence is accepted by Tenant subject to and subordinate to all existing and future mortgages and liens.

13. **RENTAL ACCELERATION.** In the event Tenant, prior to the end of the term of this Lease, or any extension or renewal thereof, Abandons the Residence, or gives Owner written or oral notice of intent to move prior to the end of the lease term, or is judicially evicted, all remaining Rental for the full term of this Lease shall be accelerated automatically and without notice, and shall immediately become due and payable.

14. **DEFAULT.** If Tenant (a) defaults in the prompt payment of the Rental or any other sums due hereunder; (b) Abandons the Residence or (c) fails to occupy the Residence within five days of the beginning date of this Lease; (d) violates any of the terms of this Lease including, but not limited to, failure to vacate; or (e) violates any of the provisions of the Governing Documents, Owner at Owner's option may terminate Tenant's right of occupancy by giving Tenant the statutory written notice to vacate, delivered either in person or by first class mail, and shall have the right to file suit in the proper court for possession. After giving such notice, or filing suit for possession, Owner may accept payment for sums due hereunder without waiving or diminishing Owner's right to proceed against Tenant for eviction, property damages, past or future Rentals, or other sums due hereunder. Owner may report any unpaid sums due hereunder, breaches of this Lease or damages, to any credit reporting agency for addition to Tenant's files.

15. **CARE AND MAINTENANCE.** Tenant accepts the Residence in its present condition, including all furniture and fixtures, if any. Tenant has examined the existing locks and agrees they are safe and acceptable. Owner shall have no duty to furnish smoke detectors, security guards, or additional locks and latches except as required by statute. No implied warranties are made by Owner or Owner's agents regarding the condition of the Residence and no agreements as to future repairs have been made unless specifically included herein. Tenant agrees to use reasonable diligence in the care of the Residence and agrees to not (a) make any alterations to the Residence without written permission of Owner; (b) paint, refinish or repair any part of the Residence, its fixtures and furniture included in this Lease if any, without written permission of Owner; (c) remove any part of the Residence for any purpose

without written permission of Owner; (d) add, remove, charge or re-key any lock without written permission of Owner; (e) permit any water bed in the Residence; (f) install new or additional telephone or cable outlets; (g) make any holes in the woodwork, floors or walls; provided that a reasonable number of small nail holes for picture hanging is permitted in sheetrock, walls and grooves or painting, without the specific permission of Owner in writing. Tenant shall be responsible for (a) sewer stoppage chargeable to Tenant's use; (b) damage to doors, windows or screens not due to negligence of Owner; (c) supplying and replacing light bulbs; (d) replacing smoke detector batteries; (e) placing trash and garbage in proper containers; (f) pest extermination; and (g) keeping walkways, stairs, hallways, and Common Areas free of trash and obstructions of any kind, or permitting their use for any purpose other than ingress and egress. At the termination of this Lease, Tenant agrees to surrender the Residence in the same condition as when received, reasonable wear and tear excepted.

**16. REPAIRS.**

(a) Tenant shall maintain at Tenant's expense \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(b) Owner shall maintain at Owner's expense \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

All requests for repairs by Tenant must be directed to Owner in writing, except in an emergency such as fire or interruption of utilities. Owner shall make needed repairs to Residence only after receiving written notice from Tenant and under the terms of applicable statutes. Owner shall have the right to temporarily discontinue utilities and Tenant's use of any fixtures to perform repairs, maintenance or to avoid damage to the Residence. Owner shall act with due diligence, but shall not be obligated to make repairs on other than a business day. During such periods, no deductions shall be allowed in the Rental and this Lease shall continue in force. If, in the reasonable opinion of Owner, the Residence, or nearby residences, are substantially damaged by fire or other disaster, Owner may terminate this Lease upon reasonable notice to Tenant and the Rental shall be prorated to the date of termination and Deposit refunded less lawful deductions.

**17. UTILITIES.** Owner shall pay for use of items checked: ☐ Electricity ☐ Natural Gas ☐ Water ☐ Sewage Charges ☐ Garbage Collection ☐ Cable TV ☐ Master TV Antenna ☐ Other (describe: \_\_\_\_\_). Unless otherwise indicated or paid by the Association, Tenant shall be responsible for all such charges.

**18. USE OF PROPERTY.** The Residence shall be used as a single family private dwelling only, in accordance with the Governing Documents. In no event shall the Residence be used for hotel or transient purposes. Tenant shall not (a) sublet or assign any part of the Residence, (b) repair or wash any motor vehicle in any part of the Condominium, (c) conduct any business of any type, including child care, from the Residence, (d) park or allow anyone to park on any portion of the Condominium whether in assigned dedicated parking spaces or not, any trailers, recreational vehicles, mobile homes, boats or inoperable vehicles. Tenant shall have the right to use parking spaces as designated by Owner, in accordance with the provisions of the Governing Documents regulating the manner and place of parking. Use of parking areas and common areas by Tenant, Tenant's family, guests, agents and invitees shall be in strict accordance with the provisions of the Governing Documents. If an Owner shall be required to pay additional assessments or fees relating to Tenant's use of the common elements, parking spaces or

storage space (if any), Tenant shall reimburse Owner for such fees with the monthly payment of Rental next due.

19. **LIABILITY.** Owner or Owner's agents shall not be liable to Tenant, Tenant's guests, invitees or other occupants, for any damages, injuries, or losses to person or property caused by fire, flood, water leaks, ice, snow, hail, winds, explosion, smoke, interruption of utilities, theft, burglary, robbery, assault, vandalism, acts of other persons, condition of the Residence, or other occurrences, including use (if any) of storerooms, swimming pool, laundry facilities or other improvements, unless such damage or injury is caused by the gross negligence of Owner or Owner's agents. Owner suggests that Tenant secure insurance coverage for protection against above liabilities and losses. Tenant agrees to notify Owner immediately of any dangerous conditions on or about the Residence.

20. **PETS.** Tenant shall not keep pets of any kind in or about the Residence. The presence of a pet in or about the Residence shall constitute a Default under paragraph 14 above.

21. **TENANT'S REPRESENTATIONS AND POSSESSIONS.** In addition to the Governing Documents referenced in paragraph 23 below, incorporated herein by specific reference (if checked) are ☐ Tenant's Rental Application ☐ move-in rental inspection ☐ smoke alarm inspection ☐ furniture inventory ☐ Owner's Rules and Regulations and ☐ \_\_\_\_\_; and Tenant's statements in any of such documents are material representations and have been relied upon by Owner, any falsity of which shall constitute a breach of this Lease. This Lease is conditioned upon Owner being able to secure possession of the Residence, and if Owner is unable to deliver possession of the Residence on the agreed date for any reason, Tenant's right to possession shall be delayed a maximum of 30 days until Owner is able to deliver possession, without any liability on the part of Owner.

22. **INSPECTION.** Owner, Owner's agents, employees, and other persons authorized by Owner, may enter the Residence by any reasonable means at all reasonable times without notice, to (a) inspect the Residence, (b) make repairs, (c) show the Residence to prospective tenants or purchasers, (d) exercise a valid lien, and (e) such other reasons as Owner shall elect.

23. **COMPLIANCE WITH GOVERNING DOCUMENTS.** Tenant acknowledges receipt of copies of, and is familiar with the terms, conditions and provisions of the Governing Documents, and Tenant understands that Tenant's right to use and occupy the Residence shall be subject in subordinated in all respects to the provisions of the Governing Documents.



**ATTACHMENT B  
PARKING GARAGE SPACE SUBLEASE**

**ATTACHMENT C**  
**SATELLITE**

**ATTACHMENT D  
CONTRACTOR AGREEMENT**

**FILED AND RECORDED**

OFFICIAL PUBLIC RECORDS

*Dana DeBeauvoir*

Aug 17, 2010 02:32 PM 2010119171

HAYWOODK: \$172.00

Dana DeBeauvoir, County Clerk

Travis County TEXAS

STATE OF TEXAS §

COUNTY OF TRAVIS §

**AMENDMENT OF RULES AND REGULATIONS  
OF  
THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.**

**Document reference.** Reference is hereby made to that certain Residential Condominium Declaration for The Sabine on Fifth Residential Condominium, filed as Document No. 2007076120 in the Official Public Records of Travis County, Texas (together with all amendments and supplemental documents thereto, the "**Declaration**").

Reference is further made to the "Rules and Regulations for The Sabine Master Condominium," filed as an attachment to Document No. 2010119171 in the Official Public Records of Travis County, Texas (together with any amendments or supplements, the "**Rules**").

WHEREAS the Declaration references The Sabine on Fifth Residential Condominium Association, Inc. (the "**Association**") as a property owners association governing the property described in the Declaration;

WHEREAS the Association, acting through its board of directors (the "**Board**"), is authorized to adopt and amend rules and regulations governing the property subject to the Declaration and the operations of the Association pursuant to Section 82.102(a) of the Texas Uniform Condominium Act, in addition to the Rules adopted by the board of directors of The Sabine Master Condominium Association, Inc.;

WHEREAS the Board, at a properly-noticed meeting held on January 5, 2010, voted to adopt the additional Rules attached as Exhibit "A" to supplement the Rules; and

WHEREAS Section 202.006 of the Texas Property Code requires that a homeowners association record all dedicatory instruments in the county in which the related property is located;

THEREFORE the Association does hereby file the attached dedicatory instrument(s) of record to put members of the public on notice of their existence and substance.

Subject solely to the amendments contained in Exhibit "A", the Rules remain in full force and effect.

**THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.**

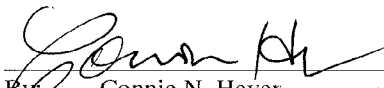
  
By: Connie N. Heyer  
Title: Attorney-in-Fact

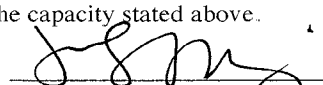
Exhibit "A": Additional Rules

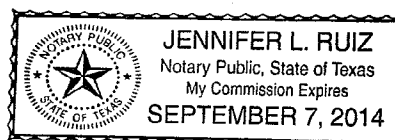
**Acknowledgement**

STATE OF TEXAS §

COUNTY OF Travis §

This instrument was executed before me on the 29<sup>th</sup> day of December, 2011, by Connie N. Heyer in the capacity stated above.

  
Notary Public, State of Texas



## **POLICIES AND PROCEDURES ADOPTED BY THE BOARD AT SABINE ON FIFTH RESIDENCES**

In addition to the Monthly Residential Assessments and special Residential Assessments contemplated in Section 8.4 of this Residential Declaration, the Residential Association shall possess the right, power, and authority to establish or levy Individual Residential Assessments in accordance with the provisions of this Residential Declaration against an individual Residence Owner or a Residence Owner's Residence for charges properly borne solely by one or more but less than all Residence Owners, such as (without limitation) charges for additional services, damages, fines, or fees or insurance deductible payments (Residential Condominium Declaration for The Sabine on Fifth Residential Condominium, Article VIII, Residential Assessments, Section 8.5).

The following policies and procedures were adopted by the Board of Directors at a meeting on January 5, 2010.

- **Late Fees - Late fees will be 25% of the outstanding balance.**
- **Collections – Delinquencies beyond thirty days old will go to collections. Delinquent accounts which have not paid after notice of collection will go to foreclosure.**
- **Fines – Violations of the declaration will result in fines. The fine for the first violation will be \$500, and the fine will double for subsequent violations of the same offense.**
- **Fees – A fee of \$50 for updating access box at entry.**
- **Move In – Move Out - Homeowners must contact the management company ten days in advance of a move to reserve the elevator, and to allow time to pad the elevator and protect the floors. There will be a \$250 deposit. A portion of the deposit will be refunded after the move and inspection for any damages.**

Issued to Owners on January 8, 2010

**After recording, please return to:**

Niemann & Heyer, L.L.P.  
Attorneys At Law  
Westgate Building, Suite 313  
1122 Colorado Street  
Austin, Texas 78701

Fileserver:CLIENTS:SabineOn5th(Resid.):RulesAmendFine12-11.doc



**FILED AND RECORDED**  
**OFFICIAL PUBLIC RECORDS**

*Dana Debeauvoir*

DANA DEBEAUVOIR, COUNTY CLERK  
TRAVIS COUNTY, TEXAS

December 29 2011 02:14 PM

FEE: \$ 24.00 2011190929

STATE OF TEXAS

§

COUNTY OF TRAVIS

§

**AMENDMENT OF RULES AND REGULATIONS  
AND LICENSE TO EXERCISE ENFORCEMENT AND LIEN RIGHTS  
OF  
THE SABINE MASTER CONDOMINIUM ASSOCIATION, INC.**

**Document reference.** Reference is hereby made to that certain instrument entitled The Sabine Master Condominium Master Condominium Declaration, filed as Document No. 2007076119 in the Official Public Records of Travis County, Texas (together with all amendments and supplemental documents thereto, the "**Master Declaration**").

Reference is further made to that certain Residential Condominium Declaration for The Sabine on Fifth Residential Condominium, filed as Document No. 2007076120 in the Official Public Records of Travis County, Texas (together with all amendments and supplemental documents thereto, the "**Residential Declaration**").

Reference is further made to the "Rules and Regulations for The Sabine Master Condominium," filed as an attachment to Document No. 2010119171 in the Official Public Records of Travis County, Texas (together with any amendments or supplements, the "**Rules**").

WHEREAS the Master Declaration references The Sabine Master Condominium Association, Inc. (the "**Association**") as a property owners association governing the property described in the Master Declaration;

WHEREAS the Residential Declaration references The Sabine on Fifth Residential Condominium Association, Inc. (the "**Residential Association**") as a Sub-Unit Condominium Association (as the term is defined in the Master Declaration) governing the property described in the Residential Declaration;

WHEREAS the Master Association, acting through its board of directors (the "**Master Board**"), is authorized to adopt and amend rules and regulations governing the property subject to the Master Declaration and the operations of the Master and Residential Association pursuant to Section 82.102(a) of the Texas Uniform Condominium Act, and has previously adopted the Rules including the amendment attached hereto as Exhibit "A";

WHEREAS the Master Board previously approved and executed the License to Exercise Enforcement and Lien Rights attached hereto as Exhibit "B"; and

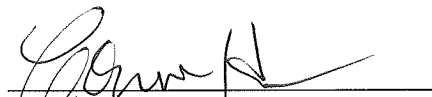
WHEREAS the Master Association desires to file the documents attached hereto of record in compliance with Section 202.006 of the Texas Property Code;

THEREFORE the Rules Amendment attached as Exhibit "A" and License attached as Exhibit "B" are hereby filed of record.

Subject solely to the amendments contained herein, the Rules remain in full force and effect.

*(Signature and Notary Blocks on Following Page)*

**THE SABINE MASTER CONDOMINIUM ASSOCIATION, INC.**



By: Connie N. Heyer

Title: Attorney-in-Fact

Exhibit "A": Rules Amendment

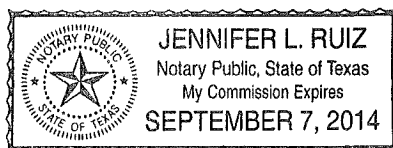
Exhibit "B": License to Exercise Enforcement and Lien Rights

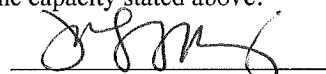
**Acknowledgement**

STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was executed before me on the 13<sup>th</sup> day of February,  
20 12, by Connie N. Heyer in the capacity stated above.



  
Notary Public, State of Texas



EXHIBIT

A

STATE OF TEXAS §

COUNTY OF TRAVIS §

AMENDMENT TO RULES AND REGULATIONS  
OF  
THE SABINE MASTER CONDOMINIUM ASSOCIATION, INC.

**Document reference.** Reference is hereby made to that certain instrument entitled The Sabine Master Condominium Master Condominium Declaration, filed as Document No. 2007076119 in the Official Public Records of Travis County, Texas (together with any amendments and supplements, the "Declaration").

Reference is further made that certain instrument entitled Amendment to Rules and Regulations, The Sabine Master Condominium Association, Inc., filed as Document No. 2010119171 in the Official Public Records of Travis County, Texas (together with the original rules and regulations attached thereto as Exhibit A", the "Rules").

WHEREAS the various rights and obligations created under the Declaration are administered and enforced by and through The Sabine Master Condominium Association, Inc. (the "Association");

WHEREAS the Association, acting through its board of directors (the "Board"), is authorized to adopt and amend rules and regulations regulating the collection of assessments and the application of payments, pursuant to Section 82.102(a)(13) of the Texas Uniform Condominium Act (the "Act"), and has previously adopted the Rules; and

WHEREAS the Board, at a duly called and noticed meeting at which a quorum was present, voted to amend the Rules as provided herein, and prior notice of such meeting and amendment was delivered to Association members in compliance with Section 82.070 of the Act;

THEREFORE the Rules have been, and by these present are, amended as provided below.

1. **By ADDING the following language to the end of Rule 2.1(i) (Partial and Conditioned Payment):**

"In addition to the foregoing, the Master Association and the Residential Association, in the sole discretion of their respective boards of directors and without notice to or the approval of an owner, may credit amounts received from an owner first to non-assessment items or other amounts due and owing the Association before crediting them to assessments owed, regardless of an owner's notations on checks, transmittal letters, or otherwise."

Subject solely to the amendment contained herein, the Rules remain in full force and effect.

AGREED TO and ADOPTED this 15<sup>th</sup> day of January, 2010. 28

[Signature and Notary Blocks on Following Page]

**THE SABINE MASTER ASSOCIATION, INC.**

Acting by and through its Board of Directors

By: \_\_\_\_\_

Title: \_\_\_\_\_

*Scott D. Smith - President*

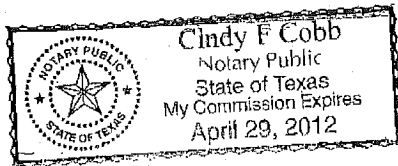
**Acknowledgement**

STATE OF TEXAS                   §

COUNTY OF TRAVIS           §

This instrument was executed before me on the 15<sup>th</sup> day of January, 2010, by Scott D. Smith in the capacity stated above.

*Cindy F. Cobb*  
\_\_\_\_\_  
Notary Public, State of Texas



**After recording, please return to:**

Niemann & Heyer, L.L.P.  
Attorneys At Law  
Westgate Building, Suite 313  
1122 Colorado Street  
Austin, Texas 78701

EXHIBIT

B

STATE OF TEXAS §

COUNTY OF TRAVIS §

**LICENSE TO EXERCISE ENFORCEMENT AND LIEN RIGHTS  
FROM THE SABINE MASTER CONDOMINIUM ASSOCIATION, INC. TO  
THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.**

**Document reference.** Reference is hereby made to The Sabine Master Condominium Master Condominium Declaration filed as Document No. 2007076119 in the Official Public Records of Travis County, Texas; and that certain First Amendment to Master Condominium Declaration for The Sabine Master Condominium filed as Document No. 2010001367 in the Official Public Records of Travis County, Texas (cumulatively and together with any amendments thereto, the "Master Declaration").

Reference is further made to that certain Residential Condominium Declaration for The Sabine on Fifth Residential Condominium filed as Document No. 2007076120 in the Official Public Records of Travis County Texas; and that certain First Amendment to Residential Condominium Declaration for The Sabine Master Condominium filed as Document No. 2010001368 in the Official Public Records of Travis County, Texas (cumulatively and together with any amendments thereto, the "Sub-Unit Declaration").

WHEREAS the Master Declaration governs The Sabine Master Condominium Association, Inc. (the "Master Association"), and the Sub-Unit Declaration governs The Sabine on Fifth Residential Condominium Association, Inc. (the "Sub-Unit Condominium Association");

WHEREAS the membership of the Sub-Unit Condominium Association is comprised of those persons and entities owning record title to the residential sub-units created by the Sub-Unit Declaration (the "Sub-Unit Owners");

WHEREAS Sub-Unit Owners are required to pay assessments and other charges to the Master Association, and Section 8.6 of the Master Declaration authorizes the Master Association to grant a license to the Sub-Unit Condominium Association to collect assessments and charges on its behalf; and

WHEREAS the Master Association desires to grant such a license and related lien enforcement rights to the Sub-Unit Condominium Association;

THEREFORE, the Master Association has, and hereby does, grant to the Sub-Unit Condominium Association a license to collect assessments and other charges owing from a Sub-Unit Owner to the Master Association, and in conjunction with that license the Master Association further grants the right to enforce the Master Association's lien rights and related power of sale against such sub-units in conjunction with such actions.

**THE SABINE MASTER CONDOMINIUM ASSOCIATION, INC.**

Agreed by and through the Board of Directors

By: \_\_\_\_\_

Title: President

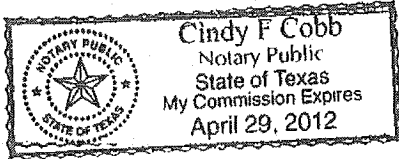
[Notary Block on following page]

Acknowledgement

STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was executed before me on the 5<sup>th</sup> day of October,  
2011, by Scott Dixon Smith in the capacity stated above.



Cindy F. Cobb  
Notary Public, State of Texas

After recording, please return to:

Niemann & Heyer, L.L.P.  
Attorneys At Law  
Westgate Building, Suite 313  
1122 Colorado Street  
Austin, Texas 78701

**After recording, please return to:**

Niemann & Heyer, L.L.P.  
Attorneys At Law  
Westgate Building, Suite 313  
1122 Colorado Street  
Austin, Texas 78701

Fileserver:CLIENTS:SabineOn5th(Master):RulesAmendPmts&NoticeofLicense1-12.doc



**FILED AND RECORDED**  
**OFFICIAL PUBLIC RECORDS**

*Dana DeBeauvoir*

DANA DEBEAUVOIR, COUNTY CLERK  
TRAVIS COUNTY, TEXAS

February 14 2012 04:41 PM

FEE: \$ 40.00 2012022876

AFTER RECORDING RETURN TO:

GREGORY S. CAGLE  
SAVRICK, SCHUMANN, JOHNSON,  
MCGARR, KAMINSKI & SHIRLEY, LLP  
4330 GAINES RANCH LOOP, STE. 150  
AUSTIN, TEXAS 78735

**SECOND AMENDMENT TO RULES AND REGULATIONS  
FOR THE SABINE MASTER CONDOMINIUM**


**Cross Reference**

That certain Rules and Regulations for The Sabine Master Condominium, recorded at Document No. 2007076119 of the Official Public Records of Travis County, Texas, as amended by that certain Amendment to Rules and Regulations – The Sabine Master Condominium Association, Inc., recorded at Document No. 2010119171 of the Official Public Records of Travis County, Texas.

**SECRETARY'S CERTIFICATE**

The undersigned hereby certifies that he is the duly elected, qualified and acting Secretary of the Sabine Master Condominium Association, Inc., a Texas non-profit corporation, and that this instrument is a true and correct copy of the duly adopted and approved Supplemental Rules and Regulations for the Sabine Master Condominium.

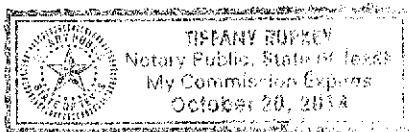
IN WITNESS WHEREOF, the undersigned has executed this certificate on the 28 day of June, 2013.

  
Michael Madison Secretary

STATE OF TEXAS   §  
                                  §  
COUNTY OF TRAVIS       §

This instrument was acknowledged before me on June 28 2013, by Michael Madison Secretary of the Sabine Master Condominium Association, Inc., on behalf of said non-profit corporation.

[SEAL]



  
Notary Public Signature

**SECOND AMENDMENT TO RULES AND REGULATIONS  
FOR THE SABINE MASTER CONDOMINIUM**  
(Applicable to All Owners, Occupants, and Guests)

This Second Amendment to Rules and Regulations for the Sabine Master Condominium is made and executed by the Sabine Master Condominium Association, Inc., a Texas non-profit corporation (the "Association"), acting by and through its Board of Directors (the "Board"), and is as follows:

A. The Sabine Master Condominium is a condominium regime located in Travis County, Texas (the "Project"), and is established and governed by The Sabine Master Condominium Master Condominium Declaration, recorded at Document No. 2007076119, Official Public Records of Travis County, Texas (the "Declaration").

B. The Board previously adopted and approved those certain Rules and Regulations for The Sabine Master Condominium, recorded at Document No. 2007076119 of the Official Public Records of Travis County, Texas (the "Original Rules"), as amended by that certain Amendment to Rules and Regulations – The Sabine Master Condominium Association, Inc., recorded at Document No. 2010119171 of the Official Public Records of Travis County, Texas (the "Amended Rules"). The Original Rules and all amendments thereto shall be referred to collectively as the "Regulations".

C. The Board now desires to amend the Regulations as set forth herein below.

NOW, THEREFORE, the Regulations are hereby amended as follows:

1. **Moving Procedures.** Section 1.13 of the Regulations is hereby deleted and replaced by the following:

**Section 1.13 Residence Moving Procedures.**

- (a) For purposes of the Regulations, "moving" shall mean an occurrence in which a person is transferring furniture, appliances, or other furnishings either into a Residence for the purpose of changing his or her place of abode from a different location to a Residence or out of a Residence for the purpose of changing his or her place of abode from a Residence to a different location. The term "moving" shall also include the transferring of furniture, appliances, or other furnishings by a Tenant into a Residence at the beginning of a lease for purposes of commencing occupation of a Residence or out of a Residence at the conclusion of a lease for purposes of discontinuing occupation of a Residence.
- (b) All moves in or out of a Residence by a Residence Owner, Tenant or Guest must comply with the following rules:
  - (i) The Association utilizes a third-party company named Residential Improvement Services ("RIS") to provide protective flooring and elevator



padding to the Common Elements prior to a move, so as to protect them from damage during the course of a move-in or move-out, and to provide on-site supervision of a move. The Association reserves the right to contract a similar company other than RIS for this service. The expense of providing protective flooring and padding and supervising a move shall be paid by the Owner of the Residence to which the Owner, Tenant or Guest is moving in to or out of, and will be added to his or her account.

- (ii) A Residence Owner, Tenant or Guest desiring to move in or move out of a Residence must contact the Manager a minimum of seven days prior to the move to reserve a move-in or move-out date (the "Move Date"). Moves are scheduled between 8:00 AM and 5:30 PM on weekdays, unless expressly approved by the Board of Directors of the Association. A move on Saturday or Sunday requires approval from the Board of Directors, as does any move before 8:00 AM or after 5:30 PM. A weekend move may result in additional costs associated with on-site supervision of the move, which will be added to the Residence Owner's account. A move taking more than one day is subject to an additional fee per the billed services from RIS or any other contracted specialist.
- (iii) If a Residence Owner, Tenant or Guest is using a moving company to move in or out of a Residence, the moving company must be insured and the Owner of the applicable Residence must provide the Manager a copy of the moving company's insurance certificate prior to the Move Date. The insurance certificate may be submitted to the Manager by email addressed to [crystal@twelveriversmanagement.com](mailto:crystal@twelveriversmanagement.com) with a subject line that references the unit number of the applicable Residence and name of the Residence Owner, Tenant or Guest moving in.
- (iv) The Manager will arrange for an employee of RIS to set up the protective flooring and padding prior to the move and to be on-site during the move. On the Move Day, the Manager or employee of RIS providing on-site supervision shall provide the person moving in or out or a representative of the moving company (if applicable), a copy of Instructions for Move-In/Move-Out (a copy of which is attached to this Second Amended Rules and Regulations as Attachment "E"). The Instructions for Move-In/Move-Out must be signed by such person or moving company representative before the move will be allowed to commence.
- (v) Any repairs that are required in order remediate damage caused to walls, elevators, or other Common Elements or Units within the Project during the course of a move will be billed to the Owner of the Residence to which the Owner, Tenant, or Guest is moving in to or out of.

- (vi) Prior to a Tenant moving into a Residence, the Owner of the applicable Residence must provide the Tenant with a copy of the Regulations, as amended and supplemented from time to time, and provide the Manager with a copy of the lease agreement signed by the Tenant. Such lease agreement must expressly state that the Tenant has received a copy of such Regulations and be signed and dated by the Tenant. The lease agreement must also expressly identify the parking space number for the parking space assigned to the applicable Residence.
- (vii) In addition, prior to a Tenant moving into a Residence, the Owner of the applicable Residence must obtain a criminal background check of the Tenant and all other adults intended to reside in or occupy the Residence with the Tenant, and submit such report(s) to the Manager. The Owner of the applicable Residence must also fill out the Required Lease Information form (a copy of which is attached to this Second Amended Rules and Regulations as Attachment "F") with the appropriate information, sign it and submit it to the Manager, along with a copy of the criminal background report(s), prior to the Move Date.
- (viii) The Owner of an applicable Residence shall inform his or her Tenant that items such as cardboard, packing materials, wood, or bulky items shall not be put in to the trash chute. There are signs located on each floor denoting such restrictions and the failure of a Residence Owner, Guest or Tenant to comply with such restrictions may result in fines as well as the cost of maintenance repairs being assessed against the applicable Residence Owner.
- (ix) There is no on-site representative of the Manager. If roof access is needed for A/C repairs and/or to unlock the electrical room for Time Warner Cable set up or repair cable service, an appointment must be scheduled with the Manager at least 24 hours in advance.
- (x) If a Residence Owner, Tenant or Guest moves in or out of a Residence without scheduling a Move Date with the Manager or otherwise fails to strictly comply with all of the move-in and move-out procedures provided by this Section 1.13, the Owner of the applicable Residence shall be automatically fined \$500.00.

2. **Effective Date.** This Second Amended Rules and Regulations shall take effect immediately upon being recorded in the Official Public Record of Travis County, Texas.

ATTACHMENT E

**Instructions for Move-In/Move-Out**

*To be provided to owner/tenant/moving representative on the day of the move by the management company or onsite moving specialist. Signed copy will be saved by management company.*

Moving truck must park within the loading/unloading zone and cannot block the Sabine stairs or handicap ramp. Truck must park parallel to building, not impeding the entrance and exit of residents.

Onsite specialist will deliver an elevator key to the mover, instructing them on how to operate. Only one elevator can be used for the move. Mover must return key to specialist prior to leaving the property.

Movers may not prop doors open with bungee cords, ropes, etc. or leave them unattended.

Moving truck can be no longer than 30 feet otherwise it will not fit in to the loading/unloading area.

Movers may only use one cart that is stored in the Sabine cart room at a time, leaving one available for other residents.

Onsite specialist will monitor floors and walls prior to move and after move, reporting the management company any damages incurred.

\_\_\_\_\_  
Owner/Tenant/Moving Representative

Date \_\_\_\_\_

\_\_\_\_\_  
Residential Improvement Specialist Representative

Date \_\_\_\_\_

THE SABINE ON FIFTH  
REQUIRED LEASE INFORMATION

\_\_\_\_\_  
Residence Owner Signature

\_\_\_\_/\_\_\_\_/\_\_\_\_\_  
Date

Sabine on Fifth  
C/O Twelve Rivers Mgmt.  
116 W. 5th St.  
Austin, TX 78701  
E-Mail: [crystal@twelveriversmanagement.com](mailto:crystal@twelveriversmanagement.com)

OWNER/RESIDENT INFORMATION				
Section 82.114 of the Texas Uniform Condominium Act requires unit owners to provide the Association with the following information within 30 days of acquiring an interest in a unit:				
Property Address:		Unit No.:	Owner <input type="checkbox"/> Resident <input type="checkbox"/>	
Full Name:				
Mailing Address:				
Home Phone:		Business Phone:		
Fax:		Mobile Phone:		
Email Address:		Other:		
Driver's License No.:		State:		
SPOUSE INFORMATION			Name:	
Business Phone:			Mobile Phone:	
Email Address:			Fax:	
Children/Other Resident Names		Date of Birth	Sex	
VEHICLES				
LICENSE TAG:	YEAR:	MAKE:	MODEL:	COLOR:
MORTGAGE INFORMATION				
Name of Lien Holder:				
Address of Lien Holder:				
Loan Number:				
EMERGENCY CONTACT				
Full Name:		Relationship:		
Home Phone:		Business Phone:		
		Mobile Phone:		
This information will be kept confidential. The purpose of the request is to maintain proper records, identify the residents entitled to use the facilities, and have emergency contact information.				
Section 82.114(1): A unit owner shall notify the Association not later than 30 days after the date the owner has notice of a change in any information required by Section 82.114 and shall provide such information upon request from the Association from time to time.				
Please return this completed form to Twelve Rivers Mgmt. by email to <a href="mailto:crystal@twelveriversmanagement.com">crystal@twelveriversmanagement.com</a> or by mail at 116 W. 5th Street, Austin, TX 78701				



**FILED AND RECORDED**  
**OFFICIAL PUBLIC RECORDS**

*Dana Debeauvoir*

DANA DEBEAUVOIR, COUNTY CLERK  
TRAVIS COUNTY, TEXAS

June 28 2013 04:09 PM

FEE: \$ 48.00 2013120527

FILED AND RECORDED  
OFFICIAL PUBLIC RECORDS



*Dyana Limon-Mercado*

Dyana Limon-Mercado, County Clerk  
Travis County, Texas

Jan 05, 2024 02:58 PM Fee: \$29.00

**2024001805**

\*Electronically Recorded\*

**CONDOMINIUM ASSOCIATION MANAGEMENT CERTIFICATE  
FOR  
THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.**

The undersigned hereby provides the following information as required by the Uniform Condominium Act, Texas Property Code § 82.116:

1. The name of the Residential Condominium is The Sabine on Fifth Residential Condominium.
2. The name of the Residential Condominium Association is The Sabine on Fifth Residential Condominium Association, Inc.
3. The Residential Condominium is located at 507 Sabine Street, Austin TX 78701.
4. The Association's jurisdiction includes, but may not be limited to, the property subject to the Declaration of Condominiums recorded on or about April 30, 2007, Document No. 2007076120, Official Public Records of Travis County, Texas, as amended from time to time, including (1) the First Amendment recorded on or about January 5, 2010, as Document No. 2010001368 (collectively, The Declaration).
5. The mailing address of the Residential Condominium Association is The Sabine on Fifth Residential Condominium Association, Inc. c/o Worth Ross Management Co., Inc. AAMC 4144 N. Central Expressway #580 Dallas, TX 75204.
6. The Residential Manager of the Residential Condominium is Worth Ross Management Company, Inc. AAMC, a Texas corporation.

EXECUTED this 4 day of January 2024.

**THE SABINE ON FIFTH RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.**

A Texas non-profit corporation

By: *[Signature]*

Name: *Dyana Limon-Mercado*

Title: *Director*

THE STATE OF TEXAS       §  
COUNTY OF TRAVIS       §

This instrument was acknowledged before me on January 4<sup>th</sup>, 2024, by  
Justin Petro of The Sabine Master Condominium  
Association, Inc. a Texas non-profit corporation, on behalf of said non-profit corporation.

Ellie White  
Notary Public, State of Texas

