


MARY LOUISE NICHOLSON
COUNTY CLERK

**FIRST AMENDED AND RESTATED DECLARATION
AND MASTER DEED FOR
WATERMERE AT SOUTHLAKE CONDOMINIUMS**

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**FIRST AMENDED AND RESTATED DECLARATION
AND MASTER DEED FOR
WATERMERE AT SOUTHLAKE CONDOMINIUMS**

**STATE OF TEXAS §
 § **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF TARRANT §**

THIS FIRST AMENDED AND RESTATED DECLARATION AND MASTER DEED FOR WATERMERE AT SOUTHLAKE CONDOMINIUMS (this "Declaration") is made on the 2nd day of June 2022, by WATERMERE AT SOUTHLAKE CONDOMINIUM ASSOCIATION, INC. a Texas non-profit corporation.

WITNESSETH:

WHEREAS, that certain Declaration and Master Deed for Watermere at Southlake Condominiums is recorded in Volume 26, Page 167 of the Condominium Records of Tarrant County, Texas (the "Restrictions"); and

WHEREAS, the Restrictions were amended or supplemented by virtue of those certain instruments recorded in the Condominium Records or the Official Public Records of Tarrant County, Texas, to wit: (i) in Volume 26, Page 173; (ii) as Instrument No. D209191753; (iii) as Instrument No. D209293302; (iv) as Instrument No. D211180914; (v) as Instrument No. D208450068; (vi) as Instrument No. D209191576; (vii) as Instrument No. D214064074; (viii) as Instrument No. D210286529; (ix) as Instrument No. D212125321; (x) as Instrument No. D214064492; (xi) as Instrument No. D211189051; (xii) as Instrument No. D214065287; (xiii) as Instrument No. D211228737; (xiv) as Instrument No. D211268067; (xv) as Instrument No. D214065652; (xvi) as Instrument No. D212060424; (xvii) as Instrument No. D212129185; (xviii) as Instrument No. D214065873; (xix) as Instrument No. D212161986; (xx) as Instrument No. D213048382; (xxi) as Instrument No. D214027814; (xxii) as Instrument No. D212162056; (xxiii) as Instrument No. D212306608; (xxiv) as Instrument No. D214066232; (xxv) as Instrument No. D213048498; (xxvi) as Instrument No. D214066600; (xxvii) as Instrument No. D213184536; (xxix) as Instrument No. D214018774; (xxx) as Instrument No. D214066764; (xxxii) as Instrument No. D214115702; (xxxiii) as Instrument No. D214215095; (xxxiv) as Instrument No. D215136373; (xxxv) as Instrument No. D215183482; (xxxvi) as Instrument No. D215213833; (xxxvii) as Instrument No. D215201637; (xxxviii) as Instrument No. D216023658; and (xxxviii) as Instrument No. D216063010 (the Restrictions, as amended or supplemented, are referred to, collectively, as the "Amended Restrictions") and

WHEREAS, the Amended Restrictions affect certain tracts or parcels of real property located in the City of Southlake, Tarrant County, Texas, more particularly described on Exhibit "A-I" attached hereto and made a part hereof for all purposes (the "Property").

WHEREAS, the recording of the Amended Restrictions against the Property established a condominium regime under the Texas Uniform Condominium Act, according to the provisions of Chapter 82 of the Texas Property Code, herein called the "Condominium Act"; and

WHEREAS, the Amended Restrictions established a plan for the individual ownership in fee simple of estates consisting of Units and the co-ownership by the separate Unit Owners thereof, as tenants in common, of all the remaining property, which includes both the Limited Common Elements and the General Common Elements (collectively referred to as the "Common Elements"), herein called the "Condominium"); and

WHEREAS, Owners representing at least sixty-seven percent (67%) of the total votes in the Watermere at Southlake Condominium Association, Inc. (the "Association"), have approved amending and restating the Amended Restrictions with the intent that this Declaration shall constitute the complete declaration of covenants, conditions, restrictions, easements, charges and liens on and for the Property and, except as substantially consolidated and restated herein, the Amended Restrictions shall be of no further force or effect.

NOW, THEREFORE, the real property described in Exhibit "A-1", and all improvements thereon, having been submitted to the Condominium Act, shall be held, sold, occupied, and conveyed subject to the following easements, restrictions, covenants, conditions, and liens, all of which are for the purpose of protecting the value, desirability, and attractiveness of the Property. These easements, restrictions, covenants, conditions and liens shall run with title to the Property, and are binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, including their heirs, successors, transferees and assigns, and shall inure to the benefit of each Owner thereof. All Owners are subject to all rights and duties assigned to Owners under this Declaration.

ARTICLE I DEFINITIONS

Generally, the terms used in this Declaration shall be given their normal, generally accepted meanings. Unless the context otherwise requires, capitalized terms used in the Condominium Instruments (as hereinafter defined) shall be defined as follows:

1.01 Property: All that real property described on Exhibit "A-1" attached to this Declaration, and all improvements and structures on such property, and all easements and other rights appurtenant to such property.

1.02 Annual Assessments: The assessment levied annually against all Owners in the Condominium pursuant to Article V of this Declaration, which shall include the Services Fee and the Condominium Fee.

1.03 Area of Common Responsibility: The Common Elements, together with those areas, if any, which the Association has assumed responsibility pursuant to the terms of this Declaration, or other applicable covenants, contracts, or agreements.

1.04 Articles or Articles of Incorporation: The Articles of Incorporation of Watermere at Southlake Condominium Association, Inc., a Texas non-profit corporation, as filed with the Texas Secretary of State, attached hereto as Exhibit "E", as amended from time to time.

1.05 Assisted Living Facility: The project adjacent to the Condominium Property consisting of independent living, assisted living, and memory care apartments and rehabilitation facility. The Assisted Living Facility is not part of the Condominium.

1.06 Association: Watermere at Southlake Condominium Association, Inc., a Texas non-profit corporation, its successors or assigns.

1.07 Board or Board of Directors: The body responsible for management and operation of the Association, selected as provided in the Bylaws.

1.08 Building: A structure or structures, containing one or more Units, comprising a part of the Property.

1.09 Bylaws: The Bylaws of Watermere at Southlake Condominium Association, Inc., attached hereto as Exhibit "C", as amended from time to time.

1.10 Club: Watermere at Southlake Condominium Association, Inc. a Texas non-profit corporation doing business as Watermere at Southlake Club, which shall manage the Club Property and Clubhouse Facilities. Use of the Club shall be governed by the terms of the Club Membership Agreement and any Club Rules and Regulations promulgated thereunder.

1.11 Clubhouse Facilities: The clubhouse and related facilities which includes, without limitation, a community hall, kitchen and dining areas, living, game, craft and reading rooms, exercise areas, pool, limited offices and commercial leasable areas.

1.12 Clubhouse Plans: The plans attached to the Declaration as Exhibit "A-4" which depicts, among other things, a general schematic drawing of the Clubhouse structure showing the layout of the rooms and amenities.

1.13 Club Member: The party to the Club Membership Agreement and shall likewise refer, in its generic context, to a person who has acquired a Membership in the Club and is therefore eligible for all rights of access to the Clubhouse Facilities.

1.14 Club Membership: That certain license or collection of rights, coupled with the corresponding responsibilities and obligations, associated with the use and enjoyment of the Clubhouse Facilities to those individuals who meet the various requirements set forth in the Club Membership Agreement.

1.15 Club Membership Agreement: That certain agreement executed by and among the Club and all Members of the Club which contains the services, rights, privileges and obligations of Club Membership.

1.16 Club Membership Fee: That certain fee charged for a Club Membership as more particularly described in Paragraph 3 of the Club Membership Agreement.

1.17 Club Operator: Watermere at Southlake Club, which shall operate and manage the Club.

1.18 Club Property: shall mean all of the real property owned by the Club or its successors or assigns plus all of the recreational and social facilities constructed thereon, which will be operated by the Club Operator or its successors or assigns and commonly known as the Watermere at Southlake Club, including without limitation, the clubhouse, the clubhouse grounds, swimming pool and any other recreational facilities offered by the Club.

1.19 Club Rules and Regulations: The rules and regulations, if any, governing the use and enjoyment of the Clubhouse Facilities adopted and amended from time to time by the Board and/or the Club Operator in accordance with the Club Membership Agreement, this Declaration and the Condominium Act.

1.20 Services Fee: The amount included in the monthly payment required by Club Members which covers the charge for the Food and Beverage (F&B) Allowance minimum and various charges incurred by Members for services provided by the Club. Typical charges incurred by the Member are for any F&B overages, and optional services requested by the Member for items such as: HVAC maintenance; additional housekeeping services; dog walking services; ticket services for social activities; etc., as more particularly described in the Club Membership Agreement and in Article V of this Declaration.

1.21 Common Elements: That portion of the Condominium which is not included within the boundaries of any Unit, as further described in this Declaration. The term shall include the Limited Common Elements and the General Common Elements.

1.22 Common Expenses: The actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of all Owners, including any reasonable reserve, as the Board may find necessary and appropriate pursuant to the Condominium Instruments.

1.23 Condominium: The Watermere at Southlake condominium regime created by the filing of this Declaration.

1.24 Condominium Act: The Texas Uniform Condominium Act (Chapter 82 of the Texas Property Code), as the same may be amended from time to time.

1.25 Condominium Fee: The monthly installment of the Annual Assessment required to be paid by Owners to cover the Common Expenses of the Condominium.

1.26 Condominium Instruments: This Declaration, the Bylaws, the Articles of Incorporation, the Rules and Regulations and any future rules and regulations promulgated thereunder, as each may be amended from time to time.

1.27 INTENTIONALLY LEFT BLANK.

1.28 INTENTIONALLY LEFT BLANK.

1.29 First Mortgage: Any Mortgage which is not subject to any lien or encumbrance except for taxes or other liens which are given priority by statute or by agreement.

1.30 First Mortgagee: The holder of record of a First Mortgage.

1.31 General Common Elements: The Common Elements, except for the Limited Common Elements.

1.32 Individual Assessment: Shall mean Assessments levied in accordance with Section 5.03(c).

1.33 Limited Common Elements: A portion of the Common Elements reserved for the exclusive use of those entitled to occupy one (1) or more, but less than all, Units, as described in Section 2.04 of this Declaration.

1.34 Majority: Those eligible votes, Owners or other group as the context may indicate totaling more than fifty percent (50%) of the total eligible number.

1.35 Master Plan: The Master Plan of the Watermere at Southlake Condominium Development, as submitted to the appropriate authorities of the City of Southlake, as amended and supplemented from time to time, which includes the property described in Exhibit "A-1".

1.36 Member: Any Person holding membership in the Association.

1.37 Monthly Payment: The sum of the monthly installment of the Condominium Fee and the Services Fee.

1.38 Mortgage: Any mortgage, deed to secure debt, deed of trust or other encumbrance, transfer or conveyance of any interest in a Unit for the purpose of securing the performance of an obligation including, but not limited to; a transfer or conveyance of fee title for such purpose.

1.39 Mortgagee or Mortgage Holder: The holder of any Mortgage.

1.40 Owner: The record holder of title to a Unit, excluding any party holding an interest merely as security for the performance of an obligation.

1.41 Percentage interest: The undivided percentage interest in the Common Elements assigned to each Unit, as set forth on Exhibit "D" attached to this Declaration.

1.42 Person: A natural person, a corporation, a partnership, a trustee, a limited liability

company, or any other legal entity.

1.43 Phase: A specific portion of the Property, the exact geographic location of which shall have been described and defined either in Exhibit "A" or on the Plat.

1.44 Plat: The plat to be recorded for Watermere at Southlake Condominiums, attached as Exhibit "A-1" and incorporated herein, as the same may be amended from time to time.

1.45 Property or Project: All that real property described on Exhibit "A-1" attached to this Declaration and all improvements and structures on such property, and all easements and other rights appurtenant to such property.

1.46 Qualifying Resident: Any Resident who meets the requirements for occupancy of a Unit under this Declaration.

1.47 Resident: Any Person occupying all or any portion of a Unit for any period of time, regardless of whether such Person is the Owner of such Unit, a tenant, or a family member or guest of the Owner or tenant.

1.48 Rules and Regulations; The rules and regulations adopted and amended from time to time by the Board in accordance with the Declaration and the Condominium Act. The initial Rules and Regulations are attached as Exhibit "F" to this Declaration.

1.49 Site Plan: The site plan attached to the Declaration as Exhibit "A-2", which depicts, among other things, a general schematic map of the entire Condominium showing the location of each building or improvement and parking areas and structures.

1.50 Special Assessment: Shall mean and refer to Assessments levied against Owners to cover unanticipated expenses or expenses in excess of those budgeted, as described in Section 5.03(b).

1.51 INTENTIONALLY LEFT BLANK.

1.52 Tower Building: The Building containing the Tower Units.

1.53 Tower Unit: One or all of the several designs of condominium tower Units within the Property which are more particularly described in Article II hereof.

1.54 Unit: An enclosed space described on the Unit Plans consisting of one or more rooms or living areas occupying all or part of a floor in a Building, together with the undivided interest in the Common Elements assigned to such Unit by this Declaration. A Unit shall include both Villa Units and Tower Units. A Unit's boundaries shall include:

- (a) the interior unfinished surface of each perimeter wall (unless such perimeter wall

- is a common wall between Units; in which case the boundary of the Units served by such common wall shall be the centerline of such common wall);
- (b) the interior unfinished surface of the ceiling;
 - (c) the upper unfinished surface of the concrete slab sub-floor; and
 - (d) the exterior surface (including all glass or glass substitutes) of the windows and doors set in perimeter walls.

A Unit shall consist of:

- (1) the improvements and air space enclosed within the area described in (a) through (d) above;
- (2) any and all walls, ceilings, floors, partitions and dividers wholly within such air space (excluding any bearing walls, bearing beams or bearing columns contained within such air space, which items shall be part of the General Common Elements of the Condominium);
- (3) all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, and any other materials constituting part of the finished surfaces of the Unit.

1.55 Unit Plans: The floor plan drawings attached to this Declaration as Exhibit "A-3" which identifies, among other things, the horizontal and vertical boundaries of the Units and Common Elements of the Condominium.

1.56 Villa Building: A Building containing a Villa Unit.

1.57 Villa Unit: One or all of the several designs of free-standing villa style units within the Property which are more particularly described in Article II hereof.

1.58 Watermere at Southlake: An age qualified resort community located in Southlake, Texas consisting of the Watermere at Southlake Condominium and the Club with its Clubhouse Facilities.

ARTICLE II DESCRIPTION OF CONDOMINIUM

2.01 General. The name of the Condominium is Watermere at Southlake Condominiums. The Condominium is comprised of the Property, divided into one hundred forty eight (148) separate Units, the Limited Common Elements and the General Common Elements, all as shown on the Site Plan and the Unit Plans attached as Exhibit "A-2" and Exhibit "A-3", respectively, to this Declaration. Condominium is comprised of seventy-three (73) Villa Units located in twenty (20) separate residential buildings each containing one (1) to two (2) levels; and seventy-five (75) Tower Units located in one (1) residential building containing four (4) levels for condominium living and one (1) level for parking.

2.02 Units.

(a) The Units are those areas identified on the Unit Plans as a "unit", followed by a number and/or letter if there is more than one Unit of the same type. Each Unit shall be conveyed as a separately designated and legally described freehold estate subject to the Condominium Act and the Condominium Instruments. Each Unit may be conveyed by reference to the description of the Unit as shown on the Unit Plans. Any such conveyance shall automatically include the Percentage Interest in the Common Elements assigned to such Unit, all rights in and to any Limited Common Elements assigned to the Unit, membership in the Association, and an undivided interest in the funds and assets held by the Association, whether or not separately described in the deed of conveyance. Any Unit may be jointly or commonly owned by more than one Person. The boundaries of each Unit are as set forth in Section: 1.54 hereof.

There are twenty two (22) basic types of Units, to wit: twelve (12) different floor plans of Villa Units and ten (10) different floor plans of Tower Units. These Unit floor plans are briefly described as follows:

Villa Units

- i. "Bonham"- a two (2) bedroom, 2.5 bath floor plan with garage with approximately 2,118 sq. ft. of livable space and 2,591 sq. ft. of total space (excluding the porch area);
- ii. "Somerville"- a two (2) bedroom, 3 bath floor plan with garage and bonus room with approximately 2,542 sq. ft. of livable space and 3,034 sq. ft. of total space (excluding the porch area);
- iii. "Cisco"- a two (2) bedroom, 3.5 bath floor plan with garage and bonus room with approximately 2,580 sq. ft. of livable space and 3,070 sq. ft. of total space (excluding the porch area);
- iv. "Whitney"- a two (2) bedroom, 3 bath floor plan with garage and bonus room with approximately 2,605 sq. ft. of livable space and 3,093 sq. ft. of total space (excluding the porch area);
- v. "Travis", a two (2) bedroom, 3.5 bath floor plan with garage and bonus room with approximately 2,685 sq. ft. of livable space and 3,188 sq. ft. of total space (excluding the porch area);
- vi. "Caddo"- a two (2) bedroom, 3 bath floor plan with garage with approximately 2,952 sq. ft. of livable space and 3,487 sq. ft. of total space (excluding the porch area);
- vii. "Buchanan 2"- a two (2) bedroom. 3.5 bath floor plan with garage and bonus room with approximately 2,823 sq. ft. of livable space and 3,326 sq. ft. of total space (excluding the porch area);
- viii. "Texoma"- a two (2) bedroom, 3.5.bath floor plan with garage and bonus room with approximately 3,016 sq. ft. of livable space and 3,586 sq. ft. of total space (excluding the porch area);
- ix. "Simmons" - a two (2) bedroom, 2.5.bath floor plan with garage and office with approximately 2,651 sq. ft. of livable space and 3,164 sq. ft. of total space (excluding the porch area);

- x. "Buchanan" - a two (2) bedroom, 2.5 bath floor plan with garage with approximately 2,414 sq. ft. of livable space and 2,978 sq. ft. of total space (excluding the porch area);
- xi. "Trinity" - a two (2) Bedroom, 3 bath floor plan with Garage and bonus room with approximately 2,382 sq. ft. of livable space and 3,125 sq. ft. of total space (excluding the porch area); and
- xii. "Wimberly" - a two (2) Bedroom, 3 bath floor plan with Garage and bonus room with approximately 2,414 sq. ft. of livable space and 2,978 sq. ft. of total space (excluding the porch area).

Tower Units

- i. "Blanco"- a one (1) bedroom, 1.5 bath floor plan with balcony and approximately 1,005 sq. ft. of livable space;
- ii. "Llano"- a one (1) bedroom, 1.5 bath floor plan with a study alcove and balcony with approximately 1,200 sq. ft. of livable space;
- iii. "Pecos"- a one (1) bedroom, 1.5 bath floor plan with a study and balcony -with approximately 1,272 sq. ft. of livable space;
- iv. "Cimarron"- a two (2) bedroom, 2.5 bath floor plan with a computer alcove with balcony with approximately 1,328 sq. ft. of livable space;
- v. "Frio"- a one (1) bedroom, 1.5 bath floor plan with a study and balcony with approximately 1,391 sq. ft. of livable space;
- vi. "Pedernales"- a two (2) bedroom, 2.5 bath floor plan with study with balcony with approximately 1,572 sq. ft. of livable space;
- vii. "Comal"- a two (2) bedroom, 2 bath floor plan with study with balcony with approximately 1,612 sq. ft. of livable space;
- viii. "Colorado"- a two (2) bedroom, 2.5 bath floor plan with study with balcony with approximately 1,631 sq. ft. of livable space;
- ix. "Brazos" - a two (2) bedroom, 2.5 bath floor plan with study with balcony with approximately 1,805 sq. ft. of livable space; and
- x. "Guadalupe"- a three (3) bedroom, 3 bath floor plan with study with balcony with approximately 2,022 sq. ft. of livable space.

The Buildings and the Villa Unit types and Tower Unit types may vary from the descriptions set forth herein above and any such variation shall be set forth in a Supplementary Declaration.

(b) All references to the square footages of a particular Unit in the Condominium Instruments are approximations only. The measurements set forth on the Unit Plans as to each Unit are approximate values taken from the plans and specifications for the Property and may not be precisely accurate as to any Unit due to variances in construction and interior floor plans. NO OWNER SHALL BE LIABLE TO ANY OTHER OWNER AS A RESULT OF ANY DISCREPANCIES IN ACTUAL MEASUREMENTS FROM THOSE SET FORTH ON THE MAP OR IN ANY CONTRACT TO WHICH ANY OWNER IS OR WAS A PARTY, AND EACH OWNER, BY ACCEPTING A DEED TO A UNIT, WAIVES ANY SUCH CLAIM OR CAUSE OF ACTION. In the event of a conflict between the Unit Plans and Exhibit "D", the

latter shall control. The boundaries of a Unit as originally constructed or of a Unit reconstructed in substantial accordance with the original plans shall be conclusively presumed to be its boundaries rather than the metes and bounds expressed in any deed or on any plat, regardless of settling or lateral movement of the building in which the Unit was located, and regardless of minor variances between the boundaries shown on the Unit Plans or in a deed and the actual boundaries of the Unit.

(c) Each Owner shall be entitled to the exclusive use and possession of his Unit, subject to the rights of any other Persons holding an ownership interest in such Unit and subject to the provisions of the Condominium Instruments.

2.03 Common Elements.

(a) The Common Elements consist of all portions of the Condominium not consisting of or located within the boundaries of a Unit. Ownership of the Common Elements shall be by the Owners as tenants-in-common. The Percentage Interest in and to the Common Elements attributable to each Unit shall be as set forth in Exhibit "D", with each Unit being allocated a percentage interest in the Common Elements based upon the ratio of the Unit's square footage to the total number of square feet for all Units in the Condominium. Such Percentage Interests may be altered only by the consent of all Owners and Mortgagees whose Percentage Interest is to be changed, expressed in an amendment to this Declaration duly adopted and recorded in accordance with Section 14.06 of this Declaration. The Percentage Interest of each Owner in the Common Elements is appurtenant to the Unit owned by the Owner and may not be separated from such Unit. The Percentage Interest shall be deemed to be conveyed, encumbered and released from liens, and to otherwise pass with the title to the Unit, whether or not expressly mentioned or described in a deed of conveyance or other instrument describing the Unit.

(b) The Common Elements, including the Limited Common Elements, shall remain undivided, and no Owner or any other Person shall bring any action for judicial partition or division of the Common Elements so long as the Property remains a Condominium. Any purported conveyance, encumbrance, judicial sale, or other voluntary or involuntary transfer of an undivided interest in the Common Elements made without the transfer of the Unit to which that interest is allocated is void. Except as provided in Section 2.04 regarding the Limited Common Elements and as otherwise specifically provided in this Declaration, each Owner and the Association may use the Common Elements for the purposes for which they are intended, but no such use shall enter or encroach upon the lawful rights of the other Owners.

(c) The Clubhouse Facilities are part of the Common Elements of the Condominium. The Clubhouse may include, without limitation, a community hall, kitchen and dining areas, living, game, craft and reading rooms, exercise areas, pool, limited offices and commercially leasable areas; provided however, that inclusion of an amenity above shall not obligate the Association to provide such amenity, nor shall the omission of any type of amenity from this paragraph prevent the Association from providing such amenity at a later time. The Clubhouse amenities described above are subject to change without notice. Association reserves the right to modify the number, layout and configuration of rooms and floors within the Clubhouse from that depicted on the Clubhouse Plans or any other plans, drawings or models.

2.04 Limited Common Elements.

(a) The Limited Common Elements are:

- (i) the portion of the Common Elements on which there is located any portion of the air conditioning or heating system exclusively serving a particular Unit or Units (but serving less than all of the Units) is assigned as Limited Common Element to the Unit or Units so served;
- (ii) any utility meter or electrical control switch which serves only one (1) Unit is assigned as a Limited Common Element to the Unit so served;
- (iii) any mailbox which serves only one (1) Unit is assigned as a Limited Common Element to the Unit so served;
- (iv) exterior doors and windows designed to serve a single Unit, but located outside the Unit's boundaries;
- (v) those parking spaces to be shown on the Site Plan which will be assigned to the respective Units as indicated thereon for the exclusive use of the Owners and Residents of such Units pursuant to Section 2.04(b) below;
- (vi) those storage units, if any, to be shown on the Site Plan which will be assigned to the Units as indicated thereon for the exclusive use of the Owners and Residents of such Units pursuant to Section 2.04(b) below;
- (vii) any patio or balcony adjacent to or serving a Unit, which is assigned to the adjacent Unit, which are shown on the Unit Plat, and which are reserved for the exclusive use of the Owners and Residents of the Units to which they are assigned;
- (viii) all utility lines, chutes, flues, pipes, ducts, wires, vent; conduits bearing walls, bearing columns and other fixtures located partially within and partially outside the boundaries of a Unit or located wholly outside the boundaries of a Unit but servicing such Unit exclusively (excluding any such item which serves more than one Unit or the Common Elements, which shall be part of the General Common Elements of the Condominium); and
- (ix) all plumbing, heating, ventilating, air conditioning, lighting, cooking and other fixtures, appliances and equipment (including individual air conditioning components and systems) located partially within and partially outside the boundaries of a Unit or located outside the boundaries of a Unit but servicing such Unit exclusively (excluding any such item which serves more than one Unit or the Common Elements, which shall be

part of the General Common Elements of the Condominium).

(b) The Board may designate, from time to time, certain portions of the General Common Elements as Limited Common Elements for use as parking and/or storage and may assign the exclusive use of parking spaces and/or storage units to particular Units, as shown in Exhibit A-5. Any such assignment shall require an amendment to this Declaration, executed by the Association, revising the Site Plan to reflect such assignment. Limited Common Elements may be reassigned with the consent of each affected Owner and his or her First Mortgagee. Any such reassignment shall require an amendment to this Declaration executed by the Owners between or among whose Units the reallocation is made, revising the Site Plan to reflect such reassignment. The Owners executing the amendment shall deliver it to the Association, which shall record it at the expense of the reassigning Owners.

2.05 Easements.

- (a) Easement for Support. Every portion of a Unit and all Common Elements contributing to the support of an abutting Unit or Common Element shall be burdened with an easement of support for the benefit of such abutting Unit or Common Element.
- (b) Easement for Encroachments. There shall be valid easements over every portion of the Condominium for the maintenance of encroachments due to construction, reconstruction, repair, settlement or shifting of structures or any other cause, except that no easement for encroachment shall be created in favor of any Unit if such encroachment occurred due to the willful conduct of the Owner or Resident of such Unit or any Person acting on their behalf. None of the rights and obligations of Owners under this Declaration and the deeds conveying title to their respective Units shall be altered in any way by the existence of any encroachment.
- (c) Easement for Access. Each Owner shall have a nonexclusive easement for use and enjoyment of the General Common Elements and for ingress and egress over and through the General Common Elements, subject to the exclusive rights of Club Members to use the Clubhouse Facilities and subject to the exclusive rights of certain Owners to use of the Limited Common Elements described in Section 2.04. Such easements shall be subject to the right of the Association to regulate time and manner of use, including the right to limit guest use, and to the other rights and restrictions specifically set forth in the Condominium Instruments. Any Owner may extend his easement rights under this subsection (c) to his family, guests and invitees or to his tenant, the tenant's family, guests and invitees; provided that no such designee shall be entitled to use and enjoy the Clubhouse Facilities unless and until the designee applies and is accepted for Membership in the Club. Such easement rights shall be subject to the Board's authority to regulate the Common Elements as provided in the Condominium Instruments.
- d) Easement for Maintenance. There is hereby reserved unto the Association an

easement over and through each Unit and the Common Elements to do all things necessary to perform their responsibilities under this Declaration and the Bylaws; including maintenance and repair of electrical, plumbing or other mechanical or structural components of the Property which are contained within or most readily accessed from such Unit or Common Element.

- (e) Easements to Third Parties. There is hereby reserved unto the Association the right to grant to third parties easements in, on and over the Common Elements for the purpose of constructing, installing and maintaining utilities and services, and each Owner, by accepting a deed to his Unit, expressly consents to the granting of such easements. However, no such easement shall interfere with any exclusive easement previously granted or with the use, occupancy or enjoyment of any Unit.
- (f) Pest Control. The Association may dispense chemicals for the extermination of insects and pests within the Units and Common Elements. In the event that the Association chooses to provide such pest control, the Association and its duly authorized contractors, representatives and agents shall have an easement to dispense chemicals in the Common and Limited Common Elements and shall obtain owner's authorization to enter Units for the purpose of dispensing chemicals for the exterminating of insects and pests within the Units. The Association shall not be liable for any illness, damage, or injury caused by the dispensing of these chemicals for this purpose. Owners will pay for all pest control inside their Unit.
- (g) Easements for Lakes and Pond Maintenance and Flood Water. There is hereby reserved unto the Association an easement to enter upon the lakes, ponds, streams and wetlands located within the Area of Common Responsibility to (i) install, keep, maintain and replace pumps and related equipment; (ii) construct, maintain and repair any bulkhead, levee, wall, dam or other structure retaining water, and (iii) remove trash and other debris therefrom and fulfill their maintenance responsibilities as provided in this Declaration. The Association and their designees shall have an access easement over and across any of the Property abutting or containing any portion of any of the lakes, ponds, streams or wetlands to the extent reasonably necessary to exercise their rights under this Section.

There is further reserved herein for the benefit of the Association and their designees, a perpetual, non-exclusive right and easement of access and encroachment over the Common Elements in order to (i) temporarily flood and back water upon and maintain water over such portions of the Property, (ii) fill, drain, dredge, deepen, clean, fertilize, dye and generally maintain the lakes, ponds, streams and wetlands within the Area of Common Responsibility, (iii) maintain and landscape the slopes and banks pertaining to such lakes, ponds, streams and wetlands and (iv) enter upon and across such portions of the Property for the purpose of exercising its rights under this Section. All Persons entitled to exercise these easements shall use reasonable care in, and repair any damage resulting from the intentional exercise of such easements. Nothing herein shall be construed to make Association or any other Person liable for

damage from flooding due to heavy rainfall or other natural disasters.

All lakes and wetlands within the Property are designed as water management areas and not as aesthetic features. Because of fluctuations in water elevations within the immediate area, the water level of lakes, creeks, and streams will rise and fall. Association has no control over such elevations. Therefore, each Owner releases Association and the local municipality, and their affiliates, successors and assigns, from and against any and all losses, claims, demands, damages, costs, and expenses of whatever nature or kind, including attorney's fees and costs and appellate fees and costs, related to or arising out of the water elevations, including the absence of any water in the lakes, creeks, streams and ponds. Neither the Association nor any Owner shall alter, modify, expand, or fill any lakes or wetlands located on or in the vicinity of the Property, without the prior written approval of such local, state, and federal authorities as may have jurisdiction over such matters.

ARTICLE III AGE-QUALIFIED COMMUNITY

3.01 Housing for Older Persons. WATERMERE AT SOUTHLAKE is intended and shall be operated as a community providing housing for older persons in compliance with the Fair Housing Act, the Fair Housing Amendments Act of 1988 (42 U.S.C. §§360i, et seq), as may be amended from time to time, and the Texas Fair Housing Act (Tex. Prop'. Code §301.001 et seq.), as may be amended from time to time. The Fair Housing Act, the Fair Housing Amendments Act and the Texas Fair Housing Act are collectively referred to herein as the "Acts". The Board shall publish and the Board and Association shall adhere to policies and procedures which demonstrate the intent to provide housing for older persons, including, but not limited to, reliable surveys and affidavits for verification of occupancy. Consistent with WATERMERE AT SOUTHLAKE'S purpose to provide housing for older persons, the Board, notwithstanding anything to the contrary contained in the Declaration or otherwise, shall have the authority to, but shall not be obligated to, levy assessments, alter existing facilities or services, and adopt reasonable Rules and Regulations in order to be in compliance with such Acts.

3.02 Occupancy of Units.

(a) General.

- (i) Units within WATERMERE AT SOUTHLAKE are intended for the housing of persons fifty-five (55) years of age or older. The provisions of this Section 3.02 are intended to be consistent with, and are set forth in order to comply with the Acts and the exemptions therefrom regarding discrimination based on familial status. The Association, acting through its Board, shall have the power to amend this Article, without the consent of the Members or any person, for the purpose of making this Article consistent with the Acts, the regulations adopted pursuant thereto and any judicial decisions arising thereunder or otherwise relating thereto in order to maintain the intent and enforceability of this Article.

(ii) Nothing in this Section is intended to restrict the ownership or transfer of title to any Unit; provided, no Owner may occupy a Unit unless the requirements of this Section are met nor shall any Owner permit occupancy of a Unit in violation of this Section. Owners shall be responsible for including the statement that Units within WATERMERE AT SOUTHLAKE are intended for the housing of persons fifty-five (55) years of age or older, as set forth in this Section 3.02, in conspicuous type in any lease or other occupancy agreement or contract of sale relating to such Owner's Unit, which agreements or contracts shall be in writing and signed by the tenant or purchaser and for clearly disclosing such intent to any prospective tenant, purchaser or other potential occupant of the Unit, Every lease of a Unit shall provide that failure to comply with the requirements and the restrictions of this Section shall constitute a default under the lease.

(iii) The current monthly food and beverage charge is applicable to every person residing in a unit.

(b) Age Restriction.

(i) No Unit shall be permanently occupied except by a Person who is fifty-five (55) years of age or older (a "Qualifying Resident") and his or her spouse, if any, and/or a relative, if any, who is thirty-five (35) years of age or older and who is a dependent of either the Qualifying Resident or his or her spouse (a "Dependent Relative"); provided, in the event of the death or divorce of a person who was the sole Qualifying Resident of a Unit, the surviving or divorced spouse of such Qualifying Resident may continue to occupy the Unit if such spouse was a Club Member and a permanent occupant prior to the death or divorce so long as the provisions of the Act and the regulations adopted thereunder are not violated by such occupancy. A Dependent Relative, if any, may continue to occupy the Unit only if a surviving or divorced spouse of the sole Qualifying Resident continues to occupy the Unit following the death or divorce of the sole Qualifying Resident and so long as the provisions of the Act and the regulations adopted thereunder are not violated by such occupancy. Notwithstanding the foregoing, no more than five (5) Units may be occupied by a Dependent Relative at any given time.

(ii) The Board shall have the right to promulgate and amend, from time to time, reasonable Rules and Regulations governing the visitation and temporary occupancy of, or use of, the Property by persons under fifty-five (55) years of age. For purposes of this Section 3.02, a Resident shall not be considered a "permanent Resident" unless, such Resident resides in a Unit for at least thirty (30) days in any calendar year.

(iii) No Owner shall lease his or her Unit except to a lessee(s) who is a Qualifying Resident. Prior to occupancy of a Unit and use of the Clubhouse Facilities, any such lessee must be approved by the Board for Membership in the Club, and execute a guaranty agreement in a form approved by the Board evidencing the

joint and several responsibility of the Owner and the lessee(s) for all assessments levied hereunder, including all Services Fees. Any Owner who leases his or her Unit shall be deemed to have assigned all of Owner's right to use and enjoy the Common Elements and the Clubhouse Facilities, to the lessee(s) of such Unit. No lessee shall be permitted to exercise his or her right to the use and enjoyment of the Common Elements or the Clubhouse Facilities until and unless the Association receives notice of the lease and complies with the Membership requirements of the Club and the provisions of this Declaration.

- (iv) No Owner shall sell his or her Unit except to a purchaser who is a Qualifying Resident or to a purchaser who has designated someone other than himself or herself as a Qualifying Resident. Prior to occupancy of a Unit by a purchaser or his or her designated occupant and prior to use of the Common Elements or the Clubhouse Facilities, the purchaser or his or her designated occupant must execute a Club Membership Agreement, pay the required Club membership Fee, be approved for Club Membership, and execute a guarantee, agreement in a form approved by the Board evidencing the joint and several responsibility of the purchaser and the Qualifying Resident for all assessment levied hereunder, including all Club Services Fees.
- (v) A Qualifying Resident may continue to occupy his or her Unit so long as (i) the Qualifying Resident's occupancy does not constitute a direct threat to the health and safety of others and (ii) the Qualifying Resident's occupancy would not result in substantial physical damage to the property of others. If, in the opinion of the Qualifying Resident's attending physician, or the Association, or the Club Operator, the Qualifying Resident's physical or mental health poses a direct threat to the health and safety of others or would result in substantial physical damage to the property of others, the Qualifying Resident shall relocate to another facility.
- (c) Change in Occupancy: Notification.

In the event of any change in occupancy of any Unit, as a result of a transfer of title, a lease or sublease, a birth or death, change in marital status, vacancy, change in location of permanent residence, or otherwise, the Owner of the Unit shall immediately notify the Board in writing and provide to the Board the names and ages of all current Residents of the Unit and such other information as the Board may reasonably require to verify the age of each Resident and the eligibility of such Resident as a Qualifying Resident. In the event that an Owner fails to notify the Board and provide all required information within twenty (20) days after a change in occupancy occurs, the Association shall be authorized to levy monetary fines against the Owner and the Unit for each day after the change in occupancy occurs until the Association receives the required notice and information, regardless of whether the Residents continue to meet the requirements of this Section, in addition to all other remedies available to the Association under this Declaration and Texas law.

- (d) Monitoring Compliance: Appointment of Attorney-in-Fact.

- (i) The Association shall require all Owners and Residents to certify compliance with the age requirements and to submit age records to verify compliance. Such records may include, without limitation, driver's licenses, passports, voter registration records, or birth certificates on all Residents. The Association shall maintain age records on all occupants of Units. The Board shall adopt policies, procedures and rules to monitor and maintain compliance with this Section, including policies regarding visitors, updating of age records and enforcement. The Association shall periodically distribute such policies, procedures and rules to the owners and make copies available to owners, their tenants and mortgagees upon reasonable request. The Association shall maintain all books and records documenting age-verification procedures such as driver's licenses, affidavits, surveys, censuses and other similar records and shall make such records available for inspection and copying by the Seller, at Seller's sole expense, upon reasonable written notice to the Association.
- (ii) The Association shall have the power and authority to enforce this Section 3.02 in any legal manner available, as the Board deems appropriate, including, without limitation, conducting a census of Residents; requiring copies of birth certificates or other proof of age for each Resident of the Unit to be provided to the Board on a periodic basis, and taking action to evict the Resident of any Unit which does not comply with the requirements and restrictions of this Section.

EACH OWNER HEREBY APPOINTS THE ASSOCIATION AS ITS ATTORNEY-IN-FACT FOR THE PURPOSE OF TAKING LEGAL ACTION TO DISPOSSESS, EVICT OR OTHERWISE REMOVE THE RESIDENTS OF HIS OR HER UNIT AS NECESSARY TO ENFORCE COMPLIANCE WITH THIS SECTION 3.02.

Each Owner shall fully and truthfully respond to any and all requests by the Association for information regarding the occupancy of his or her Unit which in the judgment of the Board are reasonably necessary to monitor compliance with this Section.

- (iii) Each Owner shall be responsible for ensuring compliance of its Unit with the requirements and restrictions of this Section 3.02 and the Rules of the Association and the Board, adopted hereunder by itself and by its tenants and other Residents of its Unit. EACH OWNER BY ACCEPTANCE OF TITLE TO A UNIT, AGREES TO INDEMNIFY, DEFEND AND HOLD THE ASSOCIATION AND THE BOARD HARMLESS FROM ANY AND ALL CLAIMS, LOSSES, DAMAGES AND CAUSES OF ACTION WHICH MAY ARISE FROM FAILURE OF SUCH OWNER'S UNIT TO SO COMPLY.

**ARTICLE IV
ASSOCIATION, MEMBERSHIP AND VOTING RIGHTS**

4.01 Association.

- (a) The Association shall have all rights, powers and duties of an "association", as that term is used in the Condominium Act, and shall have the right, power and obligation to provide for the maintenance, repair, replacement, insurance, administration and operation of the Condominium as provided in the Condominium Instruments.
- (b) The affairs of the Association shall be managed by the Board, which shall be entitled to exercise all rights and powers and perform all functions and duties of the Association, except to the extent that the Condominium Instruments or the Condominium Act specifically require approval of the Owners.
- (c) In addition to all other rights of the Association under the Condominium Act, the Texas Non-Profit Corporation Act and the Condominium Instruments, the Association shall have the right and authority:
 - (i) to enter into Units for bona fide emergency purposes when conditions present an imminent risk of harm or damage to the Common Elements, another Unit, or the occupants, which right may be exercised by the Board, the Association's officers, agents, employees, managers, and all police officers, firemen, ambulance personnel and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall be only during reasonable hours and after reasonable notice and with authorization of the Owner or Resident of the Unit. No one exercising the rights granted in this subparagraph shall be liable for trespass, damages, or in any other manner by virtue of exercising such rights;
 - (ii) to make and to enforce reasonable rules and regulations governing the use, occupancy, leasing or sale, maintenance, repair, modification, and appearance of the Condominium, including the Units, the Limited Common Elements and the General Common Elements, and to make and to enforce reasonable rules and regulations governing the payment and collection of assessments and the Services Fee;
 - (iii) to enforce the provisions of the Condominium Instruments and rules and regulations by any means authorized under the Condominium Instruments, which shall include the right to impose reasonable monetary fines, suspend the right to use the Common Elements and any property owned by the Association other than for direct access to the Unit occupied by the violating Owner or Resident, suspend the right to vote on Association matters, suspend services provided to the violating Owner or Resident or to his Unit, and to bring a suit for monetary damages or equitable relief. Any monetary fines shall be considered an assessment against the Unit of

the violating Owner or Resident and may be collected as an Individual Assessment under Article V of this Declaration;

- (iv) to grant permits, licenses, utility easements and other easements over the Common Elements for utilities, roads and other purposes necessary or convenient for the proper operation of the Condominium;
- (v) to cause additional improvements to be made as part of the Common Elements;
- (vi) to impose and receive payments, fees, or charges for the use, rental, or operation of the Common Elements or Clubhouse Facilities and for services provided to Owners;
- (vii) to control, manage, operate, maintain, improve and replace all portions of the Condominium for which the Association has maintenance responsibility under the Condominium Instruments;
- (viii) to deal with the Condominium in the event of damage or destruction as a result of casualty loss, condemnation or eminent domain, in accordance with the provisions of the Condominium Act and this Declaration;
- (ix) to represent and act on behalf of the Owners in dealing with governmental entities, zoning matters or any matter related to the Common Elements;
- (x) to temporarily close or discontinue operation of any portion of the Common Elements;
- (xi) to permanently close or discontinue operation of any portion of the Common Elements;
- (xii) to add or discontinue any service, benefit or item provided as a Common Expense to the Owners or provided to less than all of the Owners and assessed as an Individual Assessment;
- (xiii) to maintain, repair, replace and insure parking facilities, landscaping, irrigation systems, lakes, dams, ponds, drainage systems, roadways and access easements located adjacent to the Property and to enter into agreements with adjacent landowners for the payment of certain costs including, without limitation, utility costs and real and personal property taxes;
- (xiv) to acquire, hold and dispose of tangible and intangible personal property and real property, subject to any limitations on such rights relating to the

Common Elements;

- (xv) to collect security deposits in reasonable amounts, as determined by the Board in its sole discretion, to protect against damage to the Condominium, including, without limitation, damage resulting from: moving in or out of a Unit; the transportation and use of construction materials in the Condominium; and the alteration, modification, or addition to a Unit and any Limited Common Element appurtenant thereto. Costs of such damage may be deductible from the security deposit and any additional expenses may be specifically assessed against the Unit as an Individual Assessment pursuant to Article V;
- (xvi) to approve contractors or subcontractors who have access to the Condominium for the purpose of making repairs or improvements to Units based upon rules and regulations promulgated and adopted by the Board which may include, without limitation: financial stability of the contractors and/or subcontractors; history of compliance with the Condominium Instruments and rules and regulations of the Association; and other factors that may be reflective of quality and ability. The Board may also impose insurance requirements and collect other non-refundable deposits for use of Condominium facilities such as trash receptacles; and
- (xvii) to enter into joint agreements and contracts with other property owners associations for the provision of services including, without limitation, management, landscaping, concierge, property monitoring services, and trash removal services.

4.02 Membership. Every Owner, by ownership of a Unit, is automatically a Member of the Association; provided, there is only one membership per Unit. Such membership shall automatically be transferred upon transfer of record title to the Unit, except that the giving of a Mortgage shall not transfer membership in the Association.

4.03 Club Membership.

- (a) Every Owner, simultaneously upon purchase of a Unit; is required to purchase a nontransferable Membership in the Club, for the use and enjoyment of the Owner or his or her designated Qualifying Resident, as applicable. The Owner shall at all times remain jointly and severally liable with a designated Qualifying Resident, if any, for all obligations under this Declaration and the Club Membership Agreement. The Club Membership entitles the Club Member to use the Clubhouse Facilities and to a priority position on any waiting list to relocate to the Assisted Living Facility, subject to the terms and conditions imposed by the owner of the Assisted Living Facility. The Club Membership is personal to the Club Member and is non-transferable. However, if a Club Member in good standing relocates to another unit within Watermere at Southlake Condominiums, and sells their previous unit, a new Club membership is not required. Any

purported transfer of a Club Membership without compliance with this Declaration or the Club Membership Agreement is void and of no effect. In the event an Owner is the Club Member and Qualifying Resident, the transfer of record title to his or her Unit or the termination of such Owner's occupancy shall terminate the Club Membership. In the event that a person other than the Owner of a Unit is the Club Member and Qualifying Resident, the termination of such designated person's occupancy of the Unit shall automatically terminate the Club Membership and such Club Membership shall thereupon automatically revert back to the Owner. The \$20,000 Club Membership fee on resale of units will be divided (\$10,000 to the Developers and \$10,000 to the Association). This Section 4.03(a) shall be effective until June 7, 2027.

- (b) The Club Member may terminate his or her Club Membership at any time for any reason by giving the Club thirty (30) days' written notice signed by the Club Member. The Club Member's obligations as provided herein (including the obligation to pay the Services Fee) shall continue until the Unit is resold, otherwise transferred or properly occupied by a successor Club Member and the new Club Member thereby assumes the obligation of the Services Fee. Transfer under the will of a deceased Club Member, other than to his or her estate, is a conveyance, provided that in this circumstance no new Membership Fee shall be required to be paid solely in the event the devisee or beneficiary elects to become a Club Member of the Club. In the event of death, the estate of the Club Member will retain all Club Membership obligations provided herein until the Club Member's Unit is sold. If the Club Member is not also the Unit Owner, the Unit Owner and the Club Member's estate shall be jointly and severally responsible for said obligations.
- (c) The Club shall not terminate a Club Membership except for "just cause" (as defined in the Club Membership Agreement). In the event the Club terminates a Club Membership for "just cause", the right of access to the Clubhouse Facilities shall be immediately terminated, and the Club Member shall either (i) be required to promptly sell his/ her Unit in the event the Club Member is also the Unit Owner, or (ii) cause the defaulting Club Member to be replaced with a newly designated person or persons; provided, however, such person or persons must (1) meet the basic eligibility requirements for Membership as set forth in this Declaration and the Club Membership Agreement; (2) be approved by the Club; (3) execute a Club Membership Agreement; (4) execute a guaranty agreement in a form approved by the Board evidencing the joint and several responsibility of the Owner and the Resident(s) for all assessments levied hereunder, including all Services Fees; and (5) pay the Club Membership Fee required by the Club Membership Agreement.

4.04 Voting Rights. Except as otherwise provided in the Condominium Instruments, each Owner shall be entitled to vote on all matters upon which members of the Association are entitled to vote pursuant to the Condominium Instruments and the Condominium Act, except that there shall be only one vote exercised for each Unit. Each Owner shall be entitled to one (1) vote

for each Unit in which they hold the interest required for membership in the Association and each Unit is allocated a vote equal to each other Unit's vote; In the case of a Unit in which more than one Person holds the ownership interest required for membership in the Association, the vote for such Unit shall be cast as all co-Owners of such Unit agree among themselves. If only one such co-Owner attempts to cast the vote on a particular matter, it shall be assumed that all co-Owners of such Unit agree unless the Secretary is otherwise notified in writing prior to the matter being put to a vote. If more than one co-Owner of a Unit attempts to cast the vote for such Unit, the vote for such Unit shall not be counted.

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ARTICLE V ASSOCIATION FINANCES

5.01 Covenant to Pay. Each Owner, by acceptance of a deed to his or her Unit, whether or not shall be so expressed in such deed or other instrument of transfer, is deemed to covenant and agree to pay to the Association each assessment levied against such Owner and his or her Unit pursuant to this Declaration. Upon transfer of title to a Unit, the grantee shall not be personally liable for any assessments and other charges against the Unit due at the time of conveyance unless expressly assumed by them. No Owner may waive or otherwise escape liability for or withhold payment of assessments for any reason whatsoever, including, but not limited to, non-use of the Common Elements, abandonment of his Unit, the Association's failure to perform its obligations, or inconvenience or discomfort arising from the making of repairs or improvements, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority or for any other action taken or failed to be taken by the Association.

Notwithstanding any other provision contained in this Declaration or the Bylaws to the contrary, during the period in which a Unit is owned by the Association, the assessment which otherwise would be due and payable by the Owner of such Unit shall be a Common Expense.

5.02 Purpose of Assessments. The assessments levied for Common Expenses pursuant to this Declaration and the Bylaws are for the general purposes of promoting the recreation, common benefit and enjoyment of the Owners and Residents of Units in the Condominium and are intended to be used for the purposes of defraying expenses related to the ownership, operation; maintenance, repair, replacement, furnishing, improvement and insurance of the Area of Common Responsibility (including all personal property of the Association used in connection with the Common Elements) and such other costs as are incurred by the Association in exercising its rights and powers and performing its responsibilities under the Condominium Instruments.

5.03 Types of Assessments.

(a) Annual Assessments.

- (i) Not later than sixty (60) days prior to the beginning of the Association's fiscal year, the Association management shall deliver a budget covering the estimated cost of operating the Condominium, including the Clubhouse Facilities, during the coming fiscal year. The budget will be delivered to the Board for review and shall include as a line item a reasonable provision for contingencies and a contribution to a reserve fund for the repair and/or replacement of capital improvements. Upon the Board's approval of the budget, the estimated cash requirement shall be allocated on a uniform basis among all Units in the Condominium (the monthly installment of the Annual Assessment is sometimes referred to as the "Monthly Payment").
- (ii) The Board shall send notice of the amount of the Annual Assessment to each Owner at least thirty (30) days prior to the effective date of such assessment. The failure to send the notice shall not relieve any Owner of his obligation to pay his Annual Assessment.
- (iii) In the event that the Board fails for any reason to determine the budget or assessment for any year, then the assessment shall be the prior year's assessment.

(b) Special Assessments.

- (i) If the Annual Assessment proves inadequate for any year, or if the Association expects to incur expenses which were not anticipated at the time the budget was adopted, the Board may levy, assess and collect a Special Assessment; provided, however, that, except as otherwise provided in Section 7.04 of this Declaration, any Special Assessment shall have the affirmative vote or written consent, or any combination thereof, of Owners representing at least fifty-one percent (51%) of the total votes in the Association.
- (ii) Any Special Assessment shall be allocated on a uniform basis among all Units in the Condominium.
- (iii) All amounts collected by the Association as a Special Assessment shall be deposited by the Board in a separate bank account to be used by the Association for the purpose for which it was levied.

(c) Individual Assessments. The Board of Directors shall have the power to levy an Individual Assessment against any Owner and such Owner's Unit if:

- (i) the conduct of such Owner or any Resident of his Unit was in violation of any provision of the Condominium Instruments and resulted in a monetary fine being

imposed against the Unit of such Owner, in which case the fine shall constitute an Individual Assessment; or

- (ii) the conduct of such Owner or any Resident of his. Unit resulted in damage to any portion of the Condominium which is the maintenance responsibility of the Association, in which case the costs incurred in repairing such damage and any applicable insurance deductible may be assessed as an Individual Assessment against such Owner and his Unit;
- (iii) the Owner failed to perform any obligation under the Condominium Instruments and, after notice to the Owner, the Association exercised its power to perform such obligation on behalf of the Owner 'or incurred costs to obtain compliance, including attorney's fees, whether or not suit was filed, in which case the costs incurred by the Association may be assessed against such Owner and his Unit as an Individual Assessment;
- (iv) the Owner received benefits, items or services not provided to all Owners in the Condominium or fall outside the scope of services and features made available to all Club Members under the Club Membership Agreement, such as guest accommodations, additional meals, tray service, additional housekeeping services, repairs or maintenance outside the Association's responsibility under this Declaration, in which case the amount of the benefit received may be assessed against such Owner and his Unit as an Individual Assessment.
- (v) The Condominium Instruments or the Condominium Act otherwise provide for the levying of any other amount due the Association against a particular Owner(s) or his or her Unit.

Failure of the Board of Directors to exercise its authority under this subsection (c) shall not be grounds for any action against the Association or the Board and shall not constitute a waiver of the Board's right to exercise its authority under this subsection in the future.

(d) **Services Fee.** Each Club Member covenants and agrees to pay to the Association a monthly fee to cover the cost of various services provided to all Club Members by the Club (the "Services Fee") as more fully set forth in the Club Membership Agreement. For convenience purposes, the Services Fee may be billed to the Club Owner together with the Condominium Fee. The Services Fee shall thereafter be determined based on the actual cost of operating and providing the services described in the Club Membership Agreement; provided, however, that increases in the Services Fee after the initial determination shall be limited in accordance with the provisions of the Club Membership Agreement. The food and beverage portion of the monthly fee is assessed per occupant of the Unit.

(e) **Club Membership Fee.** Each Unit Owner covenants and agrees to purchase a nonrefundable and nontransferable Club Membership upon each transfer of title or change in

occupancy of a Unit (except through a will at death of the Unit Owner) as more particularly described in the Club Membership Agreement. However, if a Club Member in good standing relocates to another unit within Watermere at Southlake Condominiums, and sells their previous unit, a new Club membership is not required.

5.04 INTENTIONALLY LEFT BLANK

5.05 Payment of Assessments.

- (a) Due Dates. Annual Assessments, Special Assessments, Individual Assessments and Services Fee (collectively, the "Assessments") shall be paid in such manner and on such dates as may be fixed by the Board. Unless otherwise provided by the Board, the Annual Assessments and Services Fee shall be paid in equal monthly installments due five (5) days after the date of the invoice of the monthly statement. Special Assessments and Individual Assessments shall be due and payable on or before the thirtieth (30th) day following the date of the invoice for such Assessment. All Assessments and related charges not paid on or before the fifteenth (15th) day following the due date shall be delinquent, and the Owner shall be in default.
- (b) Enforcement of Assessment Obligation. If any Assessment, or any allowed installment thereof, is delinquent, the Association shall be authorized to invoke the following rights and remedies, in addition to any other rights and remedies of the Association under the Condominium Act, the Condominium Instruments or Texas law:
 - (i) Interest. Any Assessment or installment thereof which is delinquent shall accrue interest from the due date thereof on the principal amount due at the rate of ten percent (10%) per annum, unless the rate of interest is restricted by law to a lesser amount, in which case the rate shall be the maximum amount allowed by law at the time such Assessment became due. Such interest, as and when it accrues, shall be added to and become a part of the Assessment and may be collected in the same manner as any Assessment.
 - (ii) Late Charges. The Board may levy reasonable late charges against an Owner in default on payment of any Assessment or part thereof. Such late charges, as and when levied, shall be added to and become part of the Assessment upon which they have been levied and may be collected in the same manner as any Assessment.
 - (iii) Returned Check Fee. The Board may levy reasonable fees for each check that is dishonored for any reason by the drawee of such check. Such fees, as and when levied, shall be added to and become part of the Assessment for which the dishonored check was tendered in payment and may be collected in the same manner as any Assessment.

- (iv) **Form of Payment.** The Board may prescribe the form and method of payment by which delinquencies must be cured, such as by cashier's or certified check. Such instructions may be issued by the Board on a case-by-case basis, as circumstances warrant.
- (v) **Collection Expenses.** An Owner in default in payment of any Assessment or part thereof is also liable to the Association for collection expenses, including, but not limited to, reasonable attorney's fees and additional management fees or costs, incurred by the Association to collect such Assessment, interest and late charges: Such collection expenses, as and when incurred by the Association or its managing agent, if any, shall become part of the Assessment, the collection of which generated such expenses and may be collected in the same manner as any Assessment.
- (vi) **Suspension of Voting Privileges.** The vote attributable to any Unit as to which Assessments are in default may be suspended by the Board so long as the default exists upon notice to the Owner of the default and failure of the Owner to cure the default within thirty (30) days from the date of the notice.
- (vii) **Suspension of Access to Recreational Services.** The right to use the common recreational facilities may be suspended by the Board so long as the default exists upon notice to the Owner of the default and failure of the Owner to cure the default within thirty (30) days from the date of the notice.
- (viii) **Termination of Utilities.** The Board may terminate water or other utility services to a Unit, the Owner of which is delinquent in the payment of an Assessment that is used, in whole or in part, to pay the cost of that utility. Any costs incurred by the Association discontinuing and/or reconnecting any utility service, including reasonable attorney's fees, shall be an Individual Assessment against the Unit.
- (ix) **Acceleration.** If an Owner is in default in payment of any Assessment or any part thereof, the Board may accelerate any remaining installments of any Assessment (Annual or Special) upon ten (10) days' written notice to such Owner (which notice need only be sent to one Owner, in the case of co-Owners of a Unit). In such event, the entire unpaid balance of such Assessment shall be due upon the date stated in such notice. Upon acceleration, the Owner shall lose the privilege of paying the Annual Assessment or any other Assessment in monthly installments for that fiscal year.

- (x) Assignment of Rents. Each Owner absolutely and unconditionally assigns, transfers and conveys to the Association all rents from the lease of his or her Unit to secure the payment of all Assessments due on his or her Unit, in accordance with the following provisions:
- (A) Each Owner reserves the right, unless and until the Owner becomes delinquent in the payment of Assessments, to collect such rents as a trustee for the benefit of the Association; and
 - (B) If an Owner is delinquent in the payment of any Assessment or part thereof for sixty (60) days or more, upon ten (10) days' written notice to the Owner and lessee, the Association may demand and receive from a lessee of the Owner's Unit the rent due the Owner from the lessee. The lessee shall continue making rent payments directly to the Association until such time as all past due Assessments, late charges, interest, attorney's fees and collection expenses are paid in full, or until notified by the Association to discontinue such payments, whichever occurs earlier. The delinquent Owner and lessee hereby consent, upon notice from the Association as herein provided, to the lessee's payment of all rents directly to the Association upon default in the payment of Assessments and the lessee's attornment to all other obligations thereunder directly to the Association; and
 - (C) All rents collected by the Association shall be held and applied as the Board shall direct, and the Board shall promptly return to the Owner any rents collected in excess of the then outstanding Assessments; and
 - (D) Nothing in this subsection, nor the exercise of any right, power or authority granted by this subsection to the Association, shall be construed to be (1) an assumption by the Association of liability under any tenancy, lease or option, (2) consent to or approval of the lease, (3) a release or discharge of any other obligations of the Owner who is delinquent in the payment of amounts due the Association, or (4) a waiver of any of the Association's rights or duties.

(c) Cumulative Remedies. The preceding remedies are in addition to and not in substitution for all other rights and remedies which the Association may have under the Condominium Instruments and applicable law, including, without limitation, judicial or nonjudicial foreclosure of the Association's assessment lien or pursuit of a personal judgment against the delinquent Owner, as provided in Section 5.06 of this Declaration.

5.06 Lien to Secure Payment of Assessments; Subordination to Certain Mortgages.

- (a) **Creation of Lien.** In order to secure payment of the Assessments levied under this Declaration, the Association shall have a lien, which to the extent possible shall be a vendor's lien, on each Unit and on rents and insurance proceeds received by the Owner and relating to the Owner's Unit. This lien does hereby secure payment of Assessments, fees, charges, fines, reasonable attorney's fees, interest, late charges, collection expenses and any other amount due to the Association by the Owner or levied against the Unit by the Association as authorized by this Declaration and/or the Condominium Act. Such lien shall be prior and superior to all other liens, except (i) a lien for real property taxes and other governmental assessments or charges against the Unit, unless otherwise provided by Section 32.05, Texas Tax Code [Tex. Tax Code Ann. §32.05 (Vernon 1992), as amended from time to time]; (ii) a Mortgage recorded before the Declaration is recorded; (iii) a First Mortgage recorded before the date on which the assessment sought to be enforced becomes delinquent under the Declaration; and (iv) a lien for construction of improvements to a Unit or an assignment of the right to insurance proceeds on the Unit if the lien or assignment is recorded or duly perfected before the date on which the assessment sought to be enforced becomes delinquent under the Declaration. The lien shall be self operative and shall continue in inchoate form without being reserved or referenced in any deed or other document and without any other action required.

To evidence the assessment lien, the Board may prepare, but is not required to prepare, a written notice setting forth (i) the amount of any unpaid indebtedness, including Assessments, interest, late charges, costs and reasonable attorney's fees; (ii) the name of the Owner of the Unit; and (iii) a sufficient legal description of the Unit. Such notice shall be signed and acknowledged by an officer or duly authorized agent or attorney of the Association and shall be recorded with the Clerk of the Real Property Records of Tarrant County, Texas. The assessment lien will become enforceable from the date such Assessments became due and will continue so until all sums owing have been fully paid or otherwise satisfied. Upon timely curing of the default for which a Notice of Lien was filed by the Association, the Board shall cause to be recorded an appropriate Notice of Payment of such amounts. The cost of preparing and recording such Notice of Payment is the defaulting Owner's expense, which, as and when incurred, will become an Assessment owing and, as such, will be subject to recovery in the manner provided herein for Assessments.

- (b) **Enforcement of Lien.** Upon default in the payment of any Assessment, such lien may be enforced by judicial or non-judicial foreclosure in the same manner as a mortgage on real property under Texas law including, without limitation, the manner set forth in Tex. Prop. Code Ann. §51.002 (Vernon 1984) (the "Foreclosure Statute") and Section 82.113 of the Condominium Act, except that

the Association may not foreclose its lien consisting solely of unpaid fines. In connection therewith, each Owner grants the Association a power of sale to be exercised in accordance with the Declaration, the Condominium Act and the Foreclosure Statute. By written resolution, the Board may appoint, from time to time, an officer, agent, trustee or attorney of the Association to exercise the power of sale on behalf of the Association.

- (c) **Effect of Transfer on Lien.** The sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the lien for any subsequent Assessments. However, the sale or transfer of any Unit pursuant to foreclosure of any lien having priority over the Association's lien pursuant to subsection (a) above shall extinguish the lien as to any installments of such Assessments due prior to such sale or transfer. Any Mortgagee or other purchaser of a Unit who obtains title pursuant to foreclosure of its prior lien shall not be personally liable for any installments of an assessment on such Unit due prior to such acquisition of title unless expressly assumed by them.

5.07 Statement of Account. Any Owner, Mortgagee or Person having executed a contract for the purchase of a Unit, and any lender considering a loan to be secured by a Unit, shall be entitled, upon written request, to a statement from the Association with respect to such Unit setting forth any amounts due and unpaid to the Association, including any Assessments, late charges, interest, fines or other charges, the amount of any credit for advance payments and prepaid items, and the amount of the current Annual Assessment and the due dates of each installment. The Association shall respond in writing within ten (10) days of receipt of the request for a statement. Such statement shall be binding on the Association as to the amount due on the Unit as of the date specified in such statement. The Association and/or its Managing Agent, if any, may require the advance payment of a fee for issuing such a statement.

5.08 Capitalization of the Association. Upon each conveyance of record title to a Unit, a contribution shall be made by or on behalf of the purchaser at closing to the working capital and reserves of the Association for each Unit so purchased in the amount of Three Thousand Five Hundred and NO/100 Dollars (\$3,500.00) or such other amount as the Board may from time to time determine. The Association shall maintain the working capital funds in segregated accounts to meet unforeseen expenditures or to acquire additional equipment or services for the benefit of the Members. Such payments to this fund shall not be considered advance payments of Annual Assessments and shall not be refundable. The working capital and reserve contribution under this Section 5.08 shall in no way be affected by the expiration of the requirements contained in Article IV 4.03 (a).

5.09 Exempt Property: The following portions of the Property shall be exempt from the Assessments, charges and liens created under this Declaration:

- (a) All properties to the extent of any easement or other interest therein dedicated and accepted by the City of Southlake and County of Tarrant and

devoted to public use;

- (b) All utility lines and easements; and
- (c) The Common Elements.

ARTICLE VI INSURANCE

6.01 General Requirements. The Association shall obtain and maintain at all times, as a Common Expense, insurance as required by this Article and the Condominium Act. All such insurance coverage shall be written in the name of the Association as trustee for itself, each of the Owners and the Mortgagees, if any. Such insurance shall run to the benefit of the Association, the Board, officers, all agents and employees of the Association, the Owners and their respective Mortgagees and all other Persons entitled to occupy any Unit, as their interests may appear.

All policies of insurance shall be written with a company licensed to do business in the State of Texas with an A.M. Best's rating of A-VII or better, or the most nearly equivalent rating which is reasonably available. The company shall provide insurance certificates to each Owner and each Mortgagee upon request.

In no event shall the insurance coverage obtained and maintained by the Association be brought into contribution with insurance purchased by Owners individually or by their Mortgagees, and the insurance carried by the Association shall be primary. Each Owner shall notify the Board of all structural improvements made by the Owner to his or her Unit. Any Owner who obtains an individual insurance policy covering any portion of the Condominium, other than improvements and betterments made by such Owner at his or her expense and personal property belonging to such Owner, shall file a copy of a certificate of such individual policy or policies with the Board within thirty (30) days after the purchase of such insurance. Such Owner shall also promptly notify the Board in writing in the event such policy is canceled. Property insurance carried by the Association as a Common Expense shall not be required to include any part of a Unit which is not depicted on the Unit Plans or included in the Mortgage, nor shall the Association's public liability insurance provide coverage for individual Owners for liability arising within the Unit.

6.02 Association's Insurance.

- (a) The Association shall obtain as a Common Expense:
 - (i) a property insurance policy providing "all risk" coverage, if reasonably available, in a form deemed reasonable by the Board and in an amount equal to full replacement cost, before application of deductibles, of all improvements located on the Condominium. If "all risk" coverage is not available at a reasonable cost, the Board shall obtain, at a minimum, fire and extended coverage, including coverage for vandalism and malicious mischief, in like amounts. The policy shall

contain an agreed value endorsement and an inflation guard endorsement. Unless the Association otherwise provides notice in writing to the Owners, the insurance maintained under this Section 6.02(a)(i) shall include the Units, but not any improvements and betterments made by the individual Unit Owners. However, each Owner shall obtain additional coverage for such improvements, betterments or personal property at his or her own expense. The policy may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance equals at least the replacement cost of the insured property;

- (ii) comprehensive public liability insurance, property damage insurance and officers' and directors' liability insurance (including employment practices liability) in such amounts as the Board may determine appropriate. The public liability insurance shall contain a cross liability endorsement;
- (iii) worker's compensation (unless self-insured) and employer's liability insurance, if and to the extent necessary to meet the requirements of law;
- (iv) fidelity bonds, if reasonably available, covering officers, directors, employees and other Persons who handle or are responsible for handling Association funds. Such bonds, if reasonably available, shall be in an amount of no less than three (3) month's assessments plus reserve funds in the custody of the Association at any time during the term of the bond; provided such fidelity coverage may be reduced if one or more of the following financial controls is implemented: (A) the Association or management company, if any, maintains a separate bank account for the working account and the reserve account, each with appropriate access controls and the bank in which funds are deposited sends copies of the monthly bank statements directly to the Association; (B) the management company, if any, maintains separate records and bank accounts for each association that uses its services and the management company does not have the authority to draw checks on, or to transfer funds from, the Association's reserve account; or (C) two members of the Board must sign any checks written on the reserve account; and
- (v) such other insurance as the Board may determine to be advisable.

6.03 Specific Policy Requirements. All insurance policies required to be maintained by the Association pursuant to Sections 6.02(a)(i) and 6.02(a)(ii) of this Declaration shall provide that:

- (i) each Owner is an insured Person under the policy with respect to liability arising out of the Person's ownership of an undivided interest in the Common Elements or membership in the Association;
- (ii) the insurer waives its right to subrogation under the policy against an Owner; and

- (iii) if, at the time of a loss under the policy, there is no other insurance in the name of an Owner covering the same property covered by the policy, the Association's policy provides primary insurance.

6.04 Claims Handling. A claim for any loss covered by the policy under Section 6.02(a)(i) must be submitted by and adjusted with the Association. The insurance proceeds for that loss shall be payable to an insurance trustee designated by the Association for that purpose, if the designation of an insurance trustee is considered by the Board to be necessary or desirable, or otherwise to the Association, and not to any Owner or Mortgagee.

The insurance trustee or the Association shall hold insurance proceeds in trust for Owners and Mortgagees as their interests may appear, the proceeds paid under a policy must be disbursed first for the repair or restoration of the damaged Common Elements and Units, and Owners and Mortgagees are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the Property has been completely repaired or restored or the Condominium is terminated.

6.05 Insurance Deductible. Unless otherwise required by the Condominium Act, in the event of an insured loss, the applicable insurance deductible, if any, shall be considered a maintenance expense to be paid by the Person or Persons who would be responsible for such loss in the absence of insurance. If the loss affects more than one Unit or a Unit and the Common Elements, the cost of the deductible may be apportioned equitably by the Board among the parties suffering loss in proportion to each affected Owner's portion of the total cost of repair. Notwithstanding this, if the insurance policy provides that the deductible will apply to each Unit separately or to each occurrence, each Owner shall be responsible for paying the deductible pertaining to his or her Unit, if any. If any Owner fails to pay the deductible when required under this Section 6.05, then the Association may pay the deductible and assess the cost to the Owner as an Individual Assessment pursuant to Section 5.03(c).

6.06 Owner's Insurance. Every Owner shall be obligated to obtain and maintain at all times a standard Texas insurance policy for betterments and improvements covering the structural portions of his or her Unit to the extent not insured by policies maintained by the Association and shall furnish a copy of a certificate of such insurance policy or policies to the Association. Every Owner shall also be obligated to obtain and maintain liability insurance in the amount of at least \$500,000.00 for each occurrence covering liability for damage to persons or property of others located within the Unit, within another Unit, the Common Elements, or in any portion of the Property. Each Owner shall furnish a copy of such insurance policy or policies to the Association within 10 days of the Association's written request for same. Authority to adjust losses under policies obtained by an Owner shall be vested in the Owner. In the event that any such Owner fails to obtain insurance as required by this Section 6.06, the Association may purchase such insurance on behalf of the Owner and assess the cost to the Owner as an Individual Assessment pursuant to Section 5.03(c).

ARTICLE VII DAMAGE AND DESTRUCTION

7.01 The Role of the Board of Directors. Except as provided in Section 7.06, in the event of damage to or destruction of all or any part of a Unit, the Common Elements or other property covered by insurance written in the name of the Association under Article VI, the Board shall arrange for and supervise the prompt repair and restoration of the damaged areas of the Condominium which are covered by insurance obtained by the Association. Notwithstanding the foregoing, each Owner shall have the right to supervise the redecorating of his Unit.

7.02 Estimate of Damage or Destruction. As soon as practicable after an event causing damage to or destruction of any part of the Condominium, unless such damage or destruction shall be minor, the Board shall obtain an estimate or estimates that it deems reliable and complete of the costs of repair and reconstruction of that part of the Condominium so damaged or destroyed. "Repair and reconstruction" as used in this Article shall mean restoring the damaged or destroyed part of the Condominium to substantially the same condition in which it existed immediately prior to the damage or destruction, with each Unit and the Common Elements having substantially the same vertical and horizontal boundaries as before.

7.03 Repair and Reconstruction. Subject to the provisions of Section 7.06 below, as soon as practical after the damage occurs and any required estimates have been obtained, the Association shall diligently pursue to completion the repair and reconstruction of that part of the Condominium so damaged or destroyed. As attorney-in-fact for the Owners, the Association may take any and all necessary or appropriate action to effect repair and reconstruction, and no consent or other action by any Owner shall be necessary. Assessments of the Association shall not be abated during the period of insurance adjustments and repair and reconstruction.

7.04 Funds for Repair and Reconstruction. Subject to the provisions of Section 7.06 below, the proceeds received by the Association from any hazard insurance carried by the Association shall be used for the purpose of repair and reconstruction. If the proceeds of the Association's insurance are insufficient to pay the estimated or actual cost of such repair and reconstruction, the Association may, without the necessity of Owner approval; levy, assess and collect in advance from the Owners a Special Assessment sufficient to provide funds to pay such estimated or actual costs of repair and reconstruction in excess of insurance proceeds. The cost of repair and reconstruction in excess of insurance proceeds, reserves and any Special Assessment payments shall be a Common Expense.

7.05 Disbursement of Funds for Repair and Reconstruction. The insurance proceeds held by the Association and the amounts received from the Special Assessments provided for above constitute a fund for the payment of the costs of repair and reconstruction after casualty. Such fund shall be applied by the Association, as attorney-in-fact for such reconstruction, and, subject to the provisions of Section 7.06 below, the improvements shall be promptly repaired and reconstructed. The Association shall have full authority, right and power, as attorney-in-fact, to cause the repair and restoration of the improvements. It shall be deemed that the first money disbursed in payment for the costs of repair and reconstruction shall be made from insurance proceeds and the balance from the Special Assessment, if any. If there is a balance remaining after payment of all costs of such repair and reconstruction, such balance shall be distributed to the Owners in proportion to the contributions each Owner made as a Special

Assessment, or if no Special Assessments were made, then in proportion to their Percentage Interest in the Common Elements, first to the Mortgagees and then to the Owners, as their interests appear.

7.06 Decision Not to Rebuild. Any portion of the Condominium for which insurance is required pursuant to the provisions of this Declaration or the Condominium Act which is damaged or destroyed must be repaired or replaced promptly by the Association unless:

- (i) the Condominium is terminated pursuant to Article VIII below and the Condominium Act;
- (ii) repair or replacement would be illegal under any state or local statute or ordinance governing health or safety;
- (iii) Owners representing at least eighty percent (80%) of the total votes in the Association (including the vote of every Owner of a Unit or assigned Limited Common Elements that will not be rebuilt); and at least fifty-one percent (51%) of the total First Mortgages held by Eligible Mortgage Holders (based on one vote for each Mortgage owned), vote not to repair and reconstruct the Condominium.

A vote not to rebuild does not increase an insurer's liability to loss payment obligation under a policy, and the vote shall not be deemed to be a presumption of a total loss. If the entire Condominium is not repaired or replaced, the insurance proceeds attributable to the damaged Common Elements must be used to restore the damaged area to a condition compatible with the remainder of the Condominium. Insurance proceeds attributable to Units and Limited Common Elements that are not rebuilt must be distributed to the Owners of those Units and the Owners of the Units to which those Limited Common Elements were allocated, or to Mortgagees, as their interest may appear, and the remainder of the proceeds must be distributed to all the Owners or Mortgagees, as their interests may appear, in proportion to their Percentage Interest in the Common Elements. Notwithstanding the foregoing, in the event the Condominium is terminated in accordance with Article VIII of this Declaration, any insurance proceeds shall be distributed in accordance with the provisions of Article VIII and the Condominium Act.

If a decision is made not to rebuild any Unit that Unit's Percentage Interest shall be automatically reallocated as if the Unit had been condemned, and the Association shall prepare, execute, and record an amendment to this Declaration reflecting the reallocation.

7.07 Repairs. All repairs and reconstruction contemplated by this Article VII shall be performed substantially in accordance with this Declaration and the Unit Plans, unless other

action is approved by the Association in accordance with the requirements of this Declaration and the other Condominium Instruments.

7.08 Notice of Damage or Destruction to First Mortgagees. In the event that any portion of the Condominium encompassing more than one Unit is substantially damaged or destroyed by fire or other casualty, then written notice of the damage or destruction shall be given by the Association to each Owner and First Mortgagee of the affected Units within a reasonable time following the event of casualty damage.

ARTICLE VIII TERMINATION OF CONDOMINIUM

8.01 Adoption of Termination Agreement. Except in the case of a taking of all of the Units by condemnation or eminent domain, the Condominium may be terminated by the agreement of Owners representing at least eighty percent (80%) of the total votes in the Association, which termination proposal must have the approval of at least sixty-seven percent (67%) of the First Mortgagees (based on one vote for each Mortgage owned) of record at the time of the adoption of such plan. The approval of a First Mortgagee will be assumed when a Mortgagee fails to submit a written response to the proposed termination within thirty (30) days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested. The agreement of Owners to terminate must be evidenced by their execution of a termination agreement or ratification thereof in the same manner as a deed, by the requisite number of Owners. The termination agreement must specify a date after which the agreement will be void unless it is recorded before that date. The termination agreement and all ratifications thereof must be recorded in Tarrant County, Texas, and is effective only upon recordation.

8.02 Sale of the Property and Distribution of Assets. The termination agreement may provide that all of the Common Elements and Units of the Condominium must be sold following termination. If, pursuant to the agreement, any real estate in the Condominium is to be sold following termination, the termination agreement must set forth the minimum terms of sale, including the purchase price. Subject to the provisions of the termination agreement, the Association, on behalf of the Owners, may contract for the sale of real estate in the Condominium following termination, but the contract is not binding on the Owners until approved pursuant to Section 8.01 above. If any real estate is to be sold following termination, title to that real estate, upon termination, vests in the Association as trustee for the holders of all interests in the Units. The Association has all the powers necessary and appropriate to effect the sale, including the power to convey the interests of non-consenting Owners. Until the sale has been concluded and the proceeds thereof distributed, the Association continues in existence with all the powers it had before termination. Proceeds of the sale must be distributed to Owners and Mortgagees as their interests may appear in accordance with Section 8.04 below, taking into account the value of property owned or distributed that is not sold so as to preserve the proportionate interests of each Owner with all property cumulatively. Following termination of the Condominium, the proceeds of any sale of the Property are held by the Association as trustee for the Owners and holders of liens on the Units as their interests may appear. Unless otherwise specified in the termination agreement, as long as the Association holds title to the Property,

each Owner and the Owner's successors in interest have an exclusive right to occupancy of the portion of the Property that formerly constituted the Unit. During the period of that occupancy, each Owner and the Owner's successors in interest remain liable for all Assessments and other obligations imposed on Owners by the Declaration. Following the sale of the Property and distribution of sales proceeds as provided herein, any assets held by the Association as trustee for the Owners, which assets have been or can be liquidated, shall be distributed to the Owners as their interests may appear in accordance with Exhibit "D."

8.03 Status of Property Not Sold. Title to the Units not to be sold following termination vests in the Owners upon termination as tenants in common in fractional interests that maintain, after taking into account the fair market value of property owned and the proceeds of property sold, their respective interests as provided in Section 8.04 below with respect to all property appraised under Section 8.04 below, and liens on the Units shift accordingly. While the tenancy in common exists, each Owner and the Owner's successors in interest have an exclusive right to occupancy of the portion of the real estate that formerly constituted such Unit.

8.04 Interests of the Owners. The respective interests of the Owners are as follows:

- (a) Except as provided in Section 8.04(b) below, the respective interests of Owners are the combined fair market values of their Units, allocated interest and Limited Common Elements immediately before the termination, as determined by one or more independent appraisers selected by the Association. The decision of the independent appraisers shall be distributed to the Owners and becomes final unless disapproved within thirty (30) days after distribution by Owners of Units to which at least twenty-five percent (25%) of the votes in the Association are allocated. The proportion of any Owner's interest to that of all Owners is determined by dividing the fair market value of that Owner's Unit and its allocated interests by the total fair market values of all the Units and their allocated interests.
- (b) If any Unit or any Limited Common Element is destroyed to the extent that an appraisal of the fair market value thereof prior to destruction cannot be made, the interests of all Unit Owners are their respective Common Element interests immediately before the termination.

8.05 Rescission of Termination Agreement. By agreement of Owners representing at least eighty percent (80%) of the votes in the Association, the Owners may rescind a termination agreement and reinstate the Declaration. To be effective, the rescission agreement must be in writing, executed by the requisite percentage of Owners who desire to rescind, and recorded in Tarrant County, Texas.

ARTICLE IX CONDEMNATION

9.01 Consequences of Condemnation. If, at any time or times during the continuance of the Condominium pursuant to this Declaration, all or any part of the Condominium shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu or in avoidance of condemnation, then all compensation, damages or other proceeds of condemnation, the sum of which is referred to as the "condemnation award" below, shall be payable to the Association, and the provisions of this Article IX shall apply.

9.02 Complete Taking. In the event that the entire Condominium is taken or condemned or sold or otherwise disposed of in lieu or in avoidance of condemnation, the condominium ownership pursuant to this Declaration shall terminate. The condemnation award shall be paid to the Association for the use and benefit of the Owners and the Mortgagees as their interest may appear. Such award shall be apportioned among the Owners and the Mortgagees on the basis of the undivided interest in the Common Elements appurtenant to the Unit in which such Owners and Mortgagees have an interest; provided, however, that if a standard different from the value of the Condominium as a whole is employed to measure the condemnation award in the negotiation, judicial decree, or otherwise, then in determining such apportionment the same standard shall be employed. The Association shall, as soon, as practical, determine the share of the condemnation award to which each Owner and Mortgagee is entitled in accordance with each Owner's Percentage Interest in the Common Elements, and such shares shall be paid first to the Mortgagees and then to the Owners, as their interests appear.

9.03 Partial Taking. Except as the Owners may otherwise agree pursuant to Article VIII above, in the event that less than the entire Condominium is taken or condemned or sold or otherwise disposed of in lieu or in avoidance of condemnation, the condominium ownership under this Declaration shall not terminate. Each Owner (and Mortgagee holding an interest in such Owner's Unit) shall be entitled to a share of the condemnation award to be determined under the following provisions. The condemnation award shall be paid to the Association for the use and benefit of Owners and the Mortgagees as their interests may appear. As soon as practical, the Association shall reasonably and in good faith allocate the condemnation award between compensation, damages or other proceeds and shall apportion the amounts so allocated among the Owners as follows:

- (a) Subject to Section (c) below, the total amount allocated to a taking of or injury to the Common Elements shall be apportioned among owners and their Mortgagees on the basis of each Owner's Percentage Interest in the Common Elements, and any portion of the award attributable to the acquisition of a Limited Common Element must be equally divided among the Owners of the Units to which the Limited Common Element was allocated at the time of acquisition;
- (b) The total amount allocated to severance damages shall be apportioned to the Owners and Mortgagees of those Units which were not taken or condemned;
- (c) The respective amounts allocated to the taking of or injury to a particular Unit or to improvements an Owner has made within the Owner's own Unit (including

compensation to the Owner for the Unit and its allocated interest in the Common Elements, (whether or not the Common Elements are acquired) shall be apportioned to the Owner and Mortgagees of that particular Unit involved; and

- (d) The total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable under the circumstances.

If an allocation of the condemnation award is already established in negotiation, judicial decree or otherwise, then in allocating the condemnation award the Association shall employ such allocation. Distribution of apportioned proceeds shall be made by checks payable jointly to the respective Owners and their respective Mortgagees.

9.04 Reorganization. In the event a partial taking results in the taking of a Unit, the Owners thereof shall automatically cease to be members of the Association, and their ownership interests in the Common Elements shall terminate and vest in the Owners of the remaining Units. Thereafter, subject to the provisions of the Condominium Act, the Association shall reallocate the ownership, voting rights and Assessment ratios determined in accordance with this Declaration and the Condominium Act, according to the same principles employed in this Declaration at its inception and as required under the Condominium Act and the Board shall amend this Declaration accordingly.

9.05 Repair and Reconstruction. Any repair and reconstruction necessitated by condemnation shall be governed by the procedures contained in Article VII above.

9.06 Notice of Condemnation. In the event that any portion of the Condominium shall be made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then timely written notice of such condemnation shall be given by the Association to each Owner and First Mortgagee.

ARTICLE X ASSOCIATION AS ATTORNEY-IN-FACT

10.01 Appointment. Each Owner hereby irrevocably appoints the Association as the Owner's true and lawful attorney-in-fact in such Owner's name, place and stead for the purposes of dealing with the Project upon its damage or destruction as provided in Article VII, or a complete or partial taking as provided in Article IX, or participating in any voluntary or mandatory environmental clean-up program or activity. In addition, the Association, or any insurance trustee or substitute insurance trustee designated by the Association, is hereby appointed as attorney-in-fact under this Declaration for the purpose of purchasing and maintaining insurance under Article VI and to represent the Owners in any condemnation proceeding under Article IX including: the collection and appropriate disposition of the proceeds of such insurance or any condemnation award; the negotiation of losses and the execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association, or any insurance trustee, shall hold or

otherwise properly dispose of any insurance proceeds in trust for the Owners and their Mortgagees, as their interests may appear. Acceptance by a grantee of a deed or other instrument of conveyance shall constitute appointment of the Association as the grantee's attorney-in-fact, and the Association shall have full authority to make, execute, and deliver any contract, assignment, deed, waiver or other instrument with respect to the interest of any Owner which may be necessary to exercise the powers granted to the Association as attorney-in-fact.

ARTICLE XI USE RESTRICTIONS AND RULES

11.01 Activities Within Units. No rule shall interfere with the activities carried on within the confines of Units, except that the Association may prohibit activities that create monetary costs for the Association or other Owners, that create a danger to the health or safety of Residents of other Units, that create excessive noise or traffic, that create unhealthy conditions, or that create an unreasonable source of annoyance.

11.02 Rules. The Board may, from time to time, adopt reasonable rules for the use, occupancy, leasing or sale, maintenance, repair, modification, and appearance of the Condominium, including the Units, the Limited Common Elements and the General Common Elements, said rules to be furnished in writing to the Owners. The rules may include provisions allowing the Board to levy reasonable fines against Owners for conduct or activities within the Property maintained or carried on by such Owner, his agents, employees, servants, independent contractors, guests or invitees that damage the reputation or property of the Condominium. Copies of said rules shall be furnished by the Association to each Owner.

11.03 Use Restrictions. The use and occupancy of Units and the use of Common Elements is subject to the following restrictions and such additional regulations as may be adopted by the Board in accordance with the terms of this Declaration and the Bylaws.

- (a) Use of Units. Each Unit designated on the Unit Plans as a "Unit" shall be used for residential purposes only, and no trade or business of any kind may be conducted in or from such Unit or any part of the Condominium, including business uses ancillary to a primary residential use, except that certain areas of the Clubhouse Facilities may be used for general office purposes and/or for commercial purposes and the Owner or Resident residing in a Unit may conduct such ancillary business activities within the Unit so long as (i) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from the exterior of the Unit; (ii) the business activity does not involve unreasonable visitation of the Unit by employees, clients, customers, suppliers or other business invitees; (iii) the business activity conforms to all zoning requirements for the Condominium; (iv) the business activity does not unreasonably increase traffic in the Condominium; (v) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; and (vi) the business activity does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Condominium, as may be determined in the sole

discretion of the Board of Directors.

The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to Persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether (i) such activity is engaged in full or part time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefor.

This provision shall not restrict leasing of any Unit, provided such leasing is conducted in accordance with all other provisions of the Condominium Instruments.

Without limiting the foregoing, garage or rummage sales are not permitted within the Property.

- (b) Storage. Except in the Owner's storage unit as defined in Exhibit A-5 ownership of storage units, nothing may be stored in the Common Elements without the prior written consent of the Board.
- (c) Temperature Within Units. During cool or cold weather and regardless of the status of use or occupancy of any Unit, each Owner shall keep the heat maintained in his Unit at such reasonably high temperature as will be necessary to prevent freezing of water in the plumbing system and damage of any property. Any Owner failing to maintain such level of heat shall be liable for all damages sustained therefrom by other Owners and the Association in addition to any other remedy of the Association.
- (d) Common Elements. There shall be no obstruction of the Common Elements. No Owner shall interfere unreasonably with the use of the Common Elements by the other Owners and their guests. There shall be no use of the roofs of the condominium buildings by the Owners, their family members, guests, tenants, invitees, agents or contractors without prior approval of the Board. The Association and its agents and contractors shall have access to the roofs for performing its maintenance responsibilities. There shall be no gardening or landscaping on the Common Elements by Owners or Residents without the prior written consent of the Board. All Residents and their guests shall have a non-exclusive right to use the Common Elements, other than Limited Common Elements, for the purposes for which they are intended subject, however, to provisions elsewhere contained herein and the following provisions: (a) no such use shall encroach upon the lawful rights of other Persons; (b) the right of the Association to limit the number of guests that may use the Common Elements; (c) the right of the Association to limit the time within which guests may use the Common Elements; (d) the right of the Association to charge reasonable

admission and other fees for the use of any common facilities comprising a portion of the Common Elements; (e) the right of the Association to provide for the exclusive use of such common facilities by one or more Persons during such times and on such terms and conditions as the Association may determine; (f) the right of the Association to suspend the right to use such common facilities by an Owner, Residents of his Unit and their guests for any period during which any assessment or other charge against his Unit remains unpaid or for violation of the Condominium Instruments; (g) the right of the Association to restrict the use and govern the operation of the Common Elements by promulgating reasonable rules and regulations with respect thereto; and (h) the right of the Association to restrict the occupancy of Units to Qualifying Residents and to terminate the occupancy of a Unit by Persons who are not Qualifying Residents or by Persons who are no longer capable of independent living. Other Persons shall have the right to use such common facilities only to the extent and upon such conditions as the Association may from time to time determine.

- (e) Subdivision of Units and Relocation of Unit Boundaries. Except as authorized pursuant to Article XIII hereof, no Unit may be subdivided into two (2) or more Units nor may the boundaries between adjoining Units be altered except with the prior written approval of the Board and in accordance with the requirements of the Condominium Act. The Owners of the Units to be subdivided or altered shall be responsible for all costs, including legal and engineering fees, incurred by the Association to effect such subdivision or alteration of boundaries.
- (f) Prohibition of Damage, Nuisance and Noise. Nothing shall be done or kept on the Condominium which would increase the rate of insurance on the Condominium or any Unit or which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body. Noxious, destructive or offensive activity shall not be carried on upon the Condominium.

No Owner or Occupant may use or allow the use of a Unit or the Common Elements in any manner which 'creates disturbing noises, including, without limitation, use of stereo speakers or equipment that will in the sole discretion of the board interfere with the rights, comfort or convenience of the other Owners or Residents.

No damage to or waste of the Common Elements shall be permitted by any Owner or Resident. Each Owner shall indemnify and hold the Association and the other Owners harmless against all loss to the Association or other Owners resulting from any such damage or waste caused by such Owner or Resident of his or her Unit.

- (g) Firearms and Fireworks. The display or discharge of firearms or fireworks on the Common Elements is prohibited; provided, however, that the display of lawful

firearms on the Common Elements is permitted for the limited purpose of transporting the firearms across the Common Elements to or from the Owner's Unit. The term "firearms" includes "B-B" guns, pellet guns and other firearms of all types, regardless of size.

- (h) Pets. No Owner or Resident may keep any animals, livestock or poultry other than generally recognized household pets on any portion of the Condominium. Reptiles, goats, sheep, hogs, swine, pigs (including, but not limited to, potbellied pigs), monkeys, chickens, ducks, peacocks, pigeons and guinea fowl shall not be deemed to be household pets and are expressly prohibited. The keeping of pets shall be subject to rules adopted by the Board, which may include a reasonable limitation on number and size. No Owner or Resident may keep, breed or maintain any pet for any commercial purpose.

No breed of dog determined in the sole discretion of the Board to be dangerous may be brought onto or kept on the Condominium at any time by any Owner, Resident or guest of an Owner or Resident. Pets must be on a leash at all times while outside the pet owner's Unit. Pets must be healthy, have current shots and rabies immunization, and be free of fleas and other parasites. The pet owner is responsible for any costs expended by the Association for the failure of the pet owner to adhere to any Rule governing pets, including, but not limited to the cost of disinfection, cleaning and fumigation. Pets are prohibited in the Clubhouse Facilities. The Board may cause the removal of any such dog or any pet which, in the Board's sole discretion, creates a nuisance or unreasonable disturbance, from the Condominium should an Owner or Resident refuse to do so after at least fourteen (14) days prior written notice from the Board. Any pet which, the Board's sole discretion, presents an immediate danger to the health, safety or property of any Person may be removed by the Board without prior notice to the pet's owner.

- (i) Signs. No sign of any kind shall be displayed to the public view from any Unit or on the Common Elements without approval of the Board except political signs advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal provided that such signs shall not be erected more than a reasonable period of time (in no event to exceed sixty (60) days in advance of the election to which they pertain and are removed within seven (7) days after the election). If permission is granted to any Owner to erect a sign within the Property, the Board reserves the right to restrict the size, color, lettering and placement of such sign. The Association shall have the right to remove any sign, billboard or other advertising structure that does not comply with the above and in so doing shall not be subject to any liability for trespass or any other liability in connection with such removal. The Board shall have the right to erect reasonable and appropriate signs on behalf of the Association.
- (j) Rubbish, Trash and Garbage. All rubbish, trash and garbage shall be regularly removed from the Unit and shall not be allowed to accumulate therein. No

garbage or trash shall be placed on the Common Elements or Limited Common Elements outside the Unit, temporarily or otherwise, except that Villa Residents may place refuse containers curbside during designated hours, as defined in Exhibit F, Rules and Regulations. Rubbish, trash and garbage shall be disposed of in plastic bags and placed in proper receptacles designated by the Board for collection or shall be removed from the Condominium.

- (k) Impairment of Units and Easements. An Owner shall do no act nor any work that will impair the structural soundness or integrity of another Unit or impair any easement or other interest in real property, nor do any act nor allow any condition to exist which will adversely affect the other Units or their Owners or Residents without the consent of the affected Owners.
- (l) Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including, but not limited to the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly or unkempt conditions, shall not be pursued or undertaken on any part of the Condominium outside the unit. Clothing, bedding, rugs, mops, appliances, indoor furniture and other household items shall not be placed or stored outside the Unit.
- (m) Window Treatments. All window treatments visible from outside the Unit must be approved in writing by the Board of Directors unless they are white or off-white in color. Bed sheets shall not be used as window treatments.
- (n) Ownership Restrictions. No one Person shall have an ownership interest in Units representing more than ten percent (10%) of the total Percentage Interests in the Common Elements.
 - (i) Attribution Rules. For purposes of this Rule, ownership of a Condominium Unit shall be attributed to and shall be deemed to be owned by related family members and entities in accordance with the following:
 - (a) A natural person shall be deemed to own a Condominium Unit owned or deemed to be owned by any natural person interrelated by blood, marriage or adoption. The words "by blood" shall be deemed to encompass only children, grandchildren, grandparents, mothers, fathers, sisters, brothers, nieces, nephews, parents, aunts, uncles and first and second cousins, and no other degree of kinship. "Marriage" shall include common law marriage as provided under Texas law.
 - (b) A corporation, trust, estate or partnership shall be deemed to own a Condominium Unit owned or deemed to be owned by the shareholders, beneficiaries and partners of such entities, respectively; and
 - (c) The shareholders, beneficiaries and partners of a corporation, trust, estate or partnership, respectively, shall be deemed to own a Condominium Unit

owned by deemed to be owned by such entity.

(ii) **Enforcement.** Any attempt by a Unit Owner to transfer or convey any Unit or Units to another Person shall be voidable by the Association if, immediately after such transfer or conveyance, such Person would own Units representing more than ten percent (10%) of the total Percentage Interests in the Common Elements. The Association may declare, but is not obligated to declare, void any transfer or conveyance of such Unit which violates this provision by filing of record in the Condominium Records of Tarrant County, Texas, a declaration of null and void transfer. In the event of any violation of this provision, the Association shall have all of its rights and remedies pursuant to the Condominium Instruments.

(iii) **Applicability.** This provision shall not apply to the Association or any institutional lender, insurer or guarantor of a mortgage who has only a security interest in Units in the Condominium Project or who takes title to any Unit pursuant to the remedies set forth in its mortgage.

(o) **Leasing Restrictions.** Leasing of Units shall be governed by the following:

(i) **Definition.** "Leasing", as used in this Section, is defined as regular, exclusive occupancy of a Unit by any Person other than the Owner for which the Owner, or any designee of the Owner, receives any consideration or benefit, including, but not limited to, a fee, service, gratuity or emolument. For purposes of this Section, if a unit is owned by a trust and the beneficiary of the trust is living in the Unit, that Unit shall be considered Owner-occupied rather than leased.

(ii) **General.** Units may be leased only to Qualifying Residents. Units may be leased only in their entirety. All leases shall be in writing and may be required to conform to a lease form approved by the Board; No transient tenants may be accommodated in a Unit. All leases must be for an initial term of not less than six (6) months. Except in the case of a hardship (as hereinafter defined), no more than five percent (5%) of the Units in the Condominium shall be leased at any given time.

Prior to executing a lease of a Unit, the Owner thereof shall perform a criminal background check on the lessee and each prospective adult occupant of the Unit and provide the Board written notice of a lease stating the (i) name of the lessee and all adult occupants; (ii) the year, model and license plate numbers of all vehicles lessee will park in the Condominium; (iii) the number, type (e.g. dog or cat) and the weight of each pet(s) to be kept in the Unit, and (iv) such other information as the Board may reasonably require. The Owner must make available to the lessee copies of the Condominium Instruments.

(iii) **Contents of Lease.** Each Owner acknowledges and agrees that any lease of a Unit shall be deemed to contain the following language and that if such

language is not expressly contained in the lease, then such language shall be incorporated into the lease by existence of this covenant. Any lessee, by occupancy of a Unit, agrees to the applicability of this covenant and incorporation of the following language into the lease:

The lessee shall comply with all provisions of the Declaration, Bylaws and rules of the Association and shall control the conduct of all other Residents and guests of the leased Unit in order to ensure their compliance.

Any violation of the Declaration, Bylaws or rules and regulations by the lessee, any Resident or any Person living with the 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 or any Resident in accordance with Texas law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee or any Resident for breaches resulting from the violation of the Declaration, Bylaws and the rules and regulations of the Association, including the power and authority to evict the lessee or any Resident as attorney-in-fact on behalf and for the benefit of the Owner. Such power may be exercised by the Association following the Owner's failure to cure the tenant's default within ten (10) days of the Association's delivery of written notice to the Owner of such default.

The Owner of a Unit transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Elements of the Condominium including, but not limited to, and any and all common facilities and other amenities.

Upon request by the Board of Directors, the lessee shall pay to the Association all unpaid Annual and Special Assessments, as lawfully determined and made payable during the term of the lease and any other period of occupancy by the lessee; provided, however, the lessee need not make such payments to the Association in excess of or prior to the due dates for rental payments unpaid at the time of the Board's request. All such payments made by the lessee shall reduce, by the same amount, the lessee's obligation to make rental payments to the Owner.

(iv) **Compliance with Condominium Instruments.** Each Owner shall cause all Residents of his or her Unit to comply with the Condominium Instruments and shall be jointly and severally responsible for all violations and all losses or damages resulting from violations by such Residents, notwithstanding the fact that such Residents of the Unit are fully liable and may be personally sanctioned for any violation.

(v) **Costs of Eviction.** In the event the Association proceeds to evict a Resident, any costs, including attorney's fees and court costs, associated with the

eviction shall be assessed as an Individual Assessment against the Unit and the Owner.

(vi) Exempt Owners. The leasing limitations contained in this Section 11.03(o) shall not apply to the Association or to any institutional lender, insurer or guarantor of a mortgage who takes title to any Unit pursuant to the remedies set forth in its mortgage or security instrument.

(vii) Hardship Exception to Leasing Restrictions. Notwithstanding any provision to the contrary, the Board shall be empowered to allow leasing of Condominiums in contravention of this Declaration upon the Owner's written application for an exception because of undue hardship on the Owner. By way of illustration and not by limitation, circumstances which would constitute undue hardship are those in which (i) an Owner must relocate his or her residence because of changes in employment, marital status or health reasons and cannot, within ninety (90) days from the date the Condominium was placed on the market, sell the Condominium while offering it for sale at a reasonable price no greater than its current appraised market value; (ii) the Owner dies and the Condominium is being administered by his or her estate; (iii) the Owner takes a leave of absence or temporarily relocates and intends to return to reside in the Condominium; and (iv) the Condominium is to be leased to a member of the Owner's immediate family, which shall be deemed to encompass children, grandchildren, grandparents, brothers, sisters, parents, and spouses. Those Owners who have demonstrated that the inability to lease their Condominium would result in undue hardship and have obtained the requisite approval of the Board may lease their Condominium for such duration as the Board reasonably determines is necessary to prevent undue hardship.

(p) Parking; Prohibited Vehicles. Parking spaces in the Tower Building shall be assigned to Unit Owners of the Tower Building on a first come, first served basis. Parking spaces under carports shall also be assigned to Unit Owners on a first come, first served basis. Any parking space designated as a Limited Common Element may only be used by the Owner or Residents to whom the parking space has been assigned, and their guests and families. Exhibit A-5 defines Unit ownership of parking spaces.

Vehicles permitted under this subparagraph may be parked only in designated, lined parking spaces or other areas authorized in writing by the Board.

Commercial vehicles, vehicles with commercial writing on their exteriors (except Sheriffs, Marshall's, or police officer's vehicles marked as such), vehicles primarily used or designed for commercial purposes, inoperable vehicles, tractors, mobile homes, recreational vehicles, trailers (either, with or without wheels), campers, camper trailers, boats and other watercraft, and watercraft trailers shall be parked only in areas which may be designated by the Board. Disabled vehicles are prohibited from being parked on the Common Elements of the Condominium.

For purposes of this subsection, a vehicle shall be considered "disabled" if it does not have a current license tag or is obviously inoperable. Vehicles shall be parked only in designated parking spaces and shall not be allowed to extend out into the driving lane. Notwithstanding the above, service and delivery vehicles may be parked in the Property for such period of time as is reasonably necessary to provide service or to make a delivery to a Unit or the Common Elements.

If any vehicle is parked on any portion of the Condominium in violation of this subsection (p) or in violation of the Association's rules and regulations, the Board may tow the vehicle in accordance with Texas law. If a vehicle is towed in accordance with this subsection, neither the Association nor any officer or agent of the Association shall be liable to any Person or any claim of damage as a result of the towing activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, in addition to or in lieu of its authority to tow.

- (q) **Antennas.** No exterior antennas, aerials, satellite dishes or other apparatus for the transmission of television, radio, satellite or other signals of any kind shall be placed, allowed or maintained upon any portion of the Condominium, except that (i) antennas or satellite dishes designed to receive video programming services via multi-point distribution services which are one meter or less in diameter or diagonal measurement; (ii) antennas or satellite dishes designed to receive direct broadcast satellite service which are one meter or less in diameter; or (iii) antennas or satellite dishes designed to receive television broadcast signals [(i), (ii) and (iii) are collectively referred to as "Permitted Devices"] shall be permitted to be installed in the Units or on the Limited Common Elements, provided that any such Permitted Device is placed in the least conspicuous location on the Limited Common Elements at which an acceptable quality signal can be received, is screened from the view from the General Common Elements and other Units, and is installed in accordance with Federal Communication Commission (FCC) rules. Antenna masts shall not be placed within containers situated on the Unit's balcony or patio. The Association shall be notified in writing within 72 hours following the installation of a satellite dish or antenna. No cabling shall be allowed on the roof surface, or on the surface of the exterior siding of any building outside of the vertical or horizontal boundaries of any porch or balcony. All penetrations to any building surface shall be properly waterproofed or sealed in accordance with acceptable industry standards and applicable codes. The Owner shall be responsible for the maintenance, repair and replacement of any satellite dish or antenna.
- (r) **Timeshares:** No Owner shall offer or sell any interest in a Unit under a "timesharing" or "interval ownership" plan, or any similar plan.
- (s) **Hazardous Materials.** No Owner or Resident shall dispose of, discharge, emit or store on the Property any material that is designated as hazardous or toxic under any federal, state or local law, ordinance or regulation.

11.04 Exception to Article XI. None of the restrictions contained in this Article XI shall apply to the activities of the Association in furtherance of their powers and purposes set forth in the Condominium Instruments.

ARTICLE XII MAINTENANCE RESPONSIBILITY

12.01 Association. Except as otherwise specifically provided herein, the Association shall maintain and keep in good repair as a Common Expense, the "Area of Common Responsibility", which is limited to:

- (a) Maintenance, repair, replacement and, in the discretion of the Board, improvement of the Common Elements (which includes the roof and external structure of the Tower and Villa buildings), including Limited Common Elements (excluding all improvements made to such Limited Common Elements by the Owner) and of any Units owned by the Association;
- (b) Maintenance of utility lines, chutes, flues, pipes, ducts, wires, vents and conduits serving more than one Unit or the Common Elements, to the extent that such utility lines, chutes, flues, pipes, ducts, wires, vents and conduits are not maintained by public, private or municipal utility companies;
- (c) Maintenance of any property dictated by any contract or agreement for maintenance thereof entered into by the Association, including any covenant to pay costs for the maintenance, repair and insurance of parking facilities, landscaping, irrigation systems, drainage systems, sidewalks, detention ponds, roadways and access easements located adjacent to the Property;
- (d) periodic painting, staining and/or cleaning of exterior surfaces of the Condominium Buildings, exterior window frames, entry doors and door frames, and exterior window surfaces.

The Association shall maintain other property which is not part of the Property, and property dedicated to the public, if the Board determines that such maintenance is necessary-or desirable to maintain the overall appearance and level of maintenance generally prevailing at the Property.

12.02 Owners. Each Owner shall be responsible for:

- (a) Maintaining, repairing and replacing all portions of his or her Unit, except those portions which are to be maintained, repaired or replaced by the Association under Section 12.01 above. The responsibility of the Owner shall include, but not be limited to, the maintenance, repair and replacement of all fixtures and equipment installed in his or her Unit, all utility fixtures and equipment (including, without limitation, individual HV AC units) which

exclusively serve the Unit; and all utility lines, chutes, flues, pipes, ducts, wires, vents and conduits which exclusively serve the Unit whether located wholly within or outside the boundaries of the Unit;

- (b) Maintaining, repairing and replacing all perimeter glass surfaces, all window and window frames, and all perimeter door and door frames and hardware serving the Owner's Unit;
- (c) Keeping in a neat, clean and sanitary condition any Limited Common Elements serving his or her Unit including, without limitation, any balconies or patios and assigned parking space(s) and/or storage unit(s);
- (d) Performing all interior pest control services;
- (e) Performing his or her responsibility in such manner so as not to unreasonably disturb other Persons in other Units and so as to not damage other Units or the Common Elements;
- (f) Promptly reporting to the Association or its agent any defect or need for repairs for which the Association is responsible;
- (g) Not making any alterations to any portion of a Unit which are to be maintained by the Association;
- (h) Not doing anything with respect to the Unit which would or might jeopardize or impair the safety or soundness of any Unit without first obtaining the written consent of the Board and all Owners and Mortgagees of the Units affected, nor impair any easement without first obtaining written consent of the Association and of the Unit Owner or Owners and their Mortgagees for whose benefit such easement exists;
- (i) Paying for the cost of repairing, replacing or cleaning up any item which is the responsibility of the Owner but which responsibility such Owner fails or refuses to discharge (which the Association shall have the right, but not the obligation, to do), or to pay for the cost of repairing, replacing or cleaning up any item which, although the responsibility of the Association, is necessitated by reason of the willful or negligent act of the Owner, his or her family, tenants or guests, with the cost thereof to be assessed against the Unit and the Owner as an Individual Assessment; and
- (j) Paying for the cost of maintaining, repairing, replacing or insuring any item constructed or installed on the Common Elements by the Owner, or any item which is the responsibility of the Association, but which has been replaced by the Owner with an item of superior grade or quality.

12.03 Failure to Maintain. If the Board determines that any Owner has failed or

refused to discharge properly his or her obligation with regard to the maintenance, repair or replacement of items of which he or she is responsible, the Association shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair or replacement at the Owner's cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair or replacement deemed necessary by the Board.

Unless the Board determines that an emergency exists, the Owner shall have ten (10) days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days. "If the Board determines that (a) an emergency exists, or (b) that an Owner has not complied with the demand given by the Association as herein provided; then the Association may provide any such maintenance, repair or replacement at the Owner's sole cost and expense, and such costs shall be added to and become a part of the assessment to which such Owner is subject, shall become and be a lien against the Unit, and shall be collected as an Individual Assessment as provided in Section 5.03(c) hereof.

If the Board determines that the need for maintenance or repair is in the Area of Common Responsibility and is caused through the willful or negligent act of any Owner or Resident or their family, guests, lessees or invitees, then the Association may assess the cost of any such maintenance, repair or replacement against the Owner's or Resident's Unit, shall become a lien against the Unit and shall be collected as an Individual Assessment as provided in Section 5.03(c) hereof.

12.04 Measures Related to Insurance Coverage.

- (a) The Board, upon resolution, shall have the authority to require all or any Owner(s) to do any act or perform any work involving portions of the Condominium which are the maintenance responsibility of the Owner, which will, in the Board's sole discretion, decrease the possibility of fire or other damage in the Condominium, reduce the insurance premium paid by the Association for any insurance coverage or otherwise assist the Board in procuring or maintaining such insurance coverage. This authority shall include the authority to require Owners to install smoke detectors; require Owners to make improvements to the Owner's Unit; and such other measures as the Board may reasonably require so long as the cost of such work does not exceed one thousand dollars (\$1,000.00) per Unit in any twelve (12) month period.
- (b) In addition to, and not in limitation of, any other rights the Association may have, if any Owner does not comply with any reasonable requirement made by the Board pursuant to subsection (a) above, the Association, upon fifteen (15) days' written notice (during which period the Owner may perform the required act or work without further liability), may perform such required act or work at the Owner's sole cost. Such cost may be charged as an Individual Assessment and shall constitute a lien against the Unit. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to

subsection (a) of this Section including, but not limited to, a right of entry during reasonable hours and after reasonable notice to the Owner or Resident of the Unit, except that access may be had at any time without notice in an emergency situation.

12.05 Maintenance Standards and Interpretation. The maintenance standards and the enforcement thereof and the interpretation of maintenance obligations under this Declaration may vary from one term of the Board to another. These variances shall not constitute a waiver by the Board of the right to adopt and enforce maintenance standards under this Article. No decision or interpretation by the Board shall constitute a binding precedent with respect to subsequent decisions or interpretations of the Board.

ARTICLE XIII ARCHITECTURAL CONTROL

13.01 Rights With Respect to Remodeling and Construction. No improvement shall be erected, placed, reconstructed, replaced, repaired, repainted or otherwise altered, nor shall any construction, repair or reconstruction be commenced until plans for the improvements shall have been submitted to and approved in writing by the Board; provided, however, that minor cosmetic improvements (such as painting of interior walls or wallpapering) that are not visible from the outside of the Buildings, that do not affect any of the other Units, General Common Elements or the Limited Common Elements, and that do not cause any noise or other disturbance may be undertaken without such approval.

13.02 Purpose and General Authority. The Board shall review and either approve or reject proposed improvements within thirty (30) days after receipt of plans. In the event the Board fails to respond to the request for approval within this thirty (30) day period, approval shall be deemed given. All improvements shall be constructed only in accordance with approved plans. As a condition to approval under this Section, an Owner shall assume all responsibilities for the maintenance, repair, replacement and insurance to and on the pipes, lines, conduits and/or other apparatus installed by the Owner to connect Common Element utilities to the Unit.

13.03 Board Discretion. The Board shall exercise reasonable efforts to provide that all improvements conform and harmonize with the Condominium as to design, quality and type of construction, seals, materials, color and location in the Unit, and the schemes and aesthetic considerations set forth in the Condominium Instruments. The actions of the Board in the exercise of its discretion by its approval or disapproval of plans and other information submitted to it, or with respect to any other matter before it, shall be conclusive and binding on all interested parties.

13.04 Expenses. Except as provided in this Section below, all expenses of the Board shall be paid by the Association and shall constitute a Common Expense. The Board shall have the right to charge a fee for each application submitted to it for review, in an amount which may be established by the Board from time to time, and such fees shall be collected by the Board and remitted to the Association to help defray the expense of the Board's operation.

13.05 Other Requirements. Compliance with the Board's process is not a substitute for compliance with the City of Southlake and Tarrant County, Texas, building, zoning and subdivision regulations, and each Owner is responsible for obtaining all approvals, licenses and permits as may be required prior to commencing construction of any improvements.

13.06 Limitation on Liability. The Board shall use its judgment in accepting or disapproving all plans and specifications submitted to it. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only. Approval by the Board does not necessarily assure approval by the appropriate governmental board or commission for the City of Southlake and Tarrant County, Texas. Notwithstanding that the Board has approved plans and specifications, neither the Board nor any of its members shall be responsible or liable to any Owner or contractor with respect to any loss, liability, claim or expense which may arise by reason of such approval of the construction of the improvements. Neither the Board nor any agent thereof shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the provisions of the Condominium Instruments, nor for any structural or other defects in any work done according to such plans and specifications.

13.07 Enforcement and Inspection. Any member or authorized consultant of the Board, or any authorized officer, director, employee or agent of the Association may enter upon any Unit at any reasonable time after notice to the Owner, without being deemed guilty of trespass, in order to inspect improvements constructed or under construction in the Unit to determine whether the improvements have been or are being built in compliance with the Condominium Instruments and the plans and specifications approved by the Board.

13.08 Deemed Non-Conforming. Every violation of this Article is hereby declared to be non-conforming, and every public or private remedy allowed by such violation by law or equity against a Member shall be applicable. Without limiting the generality of the foregoing, this Declaration may be enforced as provided below;

- (a) The Board may adopt a schedule of fines for failure to abide by the Board's rules and regulations, including fines for failure to obtain any required approval from the Board.
- (b) Subject to the requirements of the Bylaws, the Association, upon request of the Board and after reasonable notice to the offender and, if different, to the Owner, may enter upon any Unit at any reasonable time after notice to the Owner, without being deemed guilty of trespass, and remove any improvement constructed, reconstructed, refinished, altered or maintained in violation of this Declaration. The Owner of the improvement shall immediately reimburse the Association for all expenses incurred in connection with such removal. If the Owner fails to reimburse the Association within thirty (30) days after the Association gives the Owner notice of the expenses, the sum owed to the Association shall be assessed against such Owner and his Unit as an Individual Assessment as provided in Article V, Section 5.03(c).

13.09 Continuity of Construction. All improvements commenced on the Property shall be prosecuted diligently to completion and shall be completed within six (6) months after commencement, unless an exception is granted in writing by the Board. If an improvement is commenced and construction is then abandoned for more than thirty (30) days, or if construction is not completed within the required six (6) month period, then after notice and opportunity for hearing as provided in the Bylaws, the Association may impose a fine in an amount established from time to time by the Board to be charged against the Owner of the Unit until construction is resumed, or the improvement is completed, as applicable, unless the Owner can prove to the satisfaction of the Board that such abandonment is for circumstances (other than the Owner's failure or refusal to pay money) beyond the Owner's control. Such charges shall be assessed against such Owner and his Unit as an Individual Assessment as provided in Article V, Section 5.03(c).

13.10 Association Exempt. The Association shall be exempt from the requirements of this Article.

ARTICLE XIV GENERAL PROVISIONS

14.01 Disclaimer of Security. The Association may, but shall not be required to, from time to time, provide measures or take actions which directly or indirectly improve safety in the Property, including, without limitation, the provision of patrol services and controlled access gates; however, each Owner, for himself or herself and his or her tenants, guests and licensees, acknowledges and agrees that the Association is not a provider of security and shall have no duty to provide security on the Condominium. It shall be the responsibility of each Owner to protect his or her person and property and all responsibility to provide security shall lie solely with each Owner.

The Association shall not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of safety measures undertaken.

14.02 Dispute Resolution.

- (a) Intentionally Left Blank.
- (b) **Alternative Method for Resolving Disputes.** The Association, its officers, directors and committee members; all Persons subject to this Declaration; any contractor, its officers, directors, employees and agents; and any person not otherwise subject to this Declaration who agrees to submit to this Section 14.02 (each such entity being referred to as a "Bound Party") agree to encourage the amicable resolution of disputes, without the emotional and financial costs of litigation. Accordingly, each Bound Party covenants and agrees to submit those claims, grievances or disputes described in Section 14.02(c) (collectively, the "Claims") to the mandatory procedures set forth in Section 14.02(d).

- (c) Claims. Unless specifically exempted below, all Claims between any of the Bound Parties regardless of how the same might have arisen or on what it might be based including, but not limited to Claims (i) arising out of or relating to the interpretation, application or enforcement of the Condominium Instruments or the rights, obligations and duties of any Bound Party under the Governing Documents; (ii) relating to the design or construction of improvements; or (iii) based upon any statements, representations, promises, warranties, or other communications made by or on behalf of any Bound Party shall be subject to the provisions of this Section 14.02.

Notwithstanding the above, unless all parties thereto otherwise agree, the following shall not be considered Claims and shall not be subject to the provisions of this Section 14.02:

- (i) any suit by the Association against any Bound Party to enforce the provisions of the Condominium Instruments;
 - (ii) any suit by the Association to obtain a temporary restraining order or injunction (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to act under and enforce the provisions of the Condominium Instruments;
 - (iii) any suit between or among Owners, which does not include the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Governing Documents; and
 - (iv) any suit in which any indispensable party is not a Bound Party.
- (d) Mandatory Procedures.
- (i) Notice. Any Bound Party having a Claim ("Claimant") against any other Bound Party ("Respondent") (the Claimant and Respondent referred to herein being individually, as a "Party", or, collectively, as the "Parties") shall notify each Respondent in writing (the "Notice"), stating plainly and concisely:
 - (a) The nature of the Claim, including the Persons involved and Respondent's role in the Claim;
 - (b) The legal basis of the Claim (i.e., the specific authority out of which the Claim arises);
 - (c) The proposed remedy; and

- (d) The fact that Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim.
- (ii) Negotiation and Mediation.
 - (a) The Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in negotiation.
 - (b) If the Parties do not resolve the Claim within 30 days after the date of the Notice (or within such other period as may be agreed upon by the Parties), ("Termination of Negotiations"), Claimant shall have two days to submit the Claim to mediation under the auspices of the American Arbitration Association ("AAA") in accordance with the AAA's Commercial or Construction Industry Mediation Rules, as appropriate.
 - (c) If Claimant does not submit the Claim to mediation within such time, or does not appear for mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to any Person other than the Claimant.
 - d) Any settlement of the Claim through mediation shall be documented in writing by the mediator and signed by the Parties. If the Parties do not settle the Claim within 30 days after submission of the matter to the mediation, or within such other time as determined by the mediator or agreed to by the Parties, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation Notice shall set forth that the Parties are at an impasse and the date that mediation was terminated.

Each Party shall bear its own costs of the mediation, including attorneys' fees, and each Party shall share equally all charges rendered by the mediator. If the Parties agree to a resolution of any Claim through negotiation or mediation in accordance with this Section and any Party thereafter fails to abide by the terms of such agreement, then any other Party may file suit or initiate arbitration proceedings to enforce such agreement without the need to again comply with the procedures set forth in this Section. In such event, the Party taking action to enforce the agreement shall be entitled to

recover from the non-complying Party (or if more than one noncomplying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement, including, without limitation, attorneys' fees and court costs.

(iii) Binding Arbitration.

- (a) Upon Termination of Mediation, Claimant shall thereafter be entitled to initial final, binding arbitration of the Claim under the auspices of the AAA, in accordance with the A.M's Construction Industry Arbitration Rules, as appropriate. Such Claims shall not be decided by or in a court of law. Any judgment upon the award rendered by the arbitrator may be entered in and enforced by any court having jurisdiction over such Claim. If the claimed amount exceeds \$250,000, the dispute shall be heard and determined by three arbitrators. Otherwise, unless mutually agreed to by the Parties, there shall be one arbitrator. Arbitrators shall have expertise in the area(s) of dispute, which may include legal expertise legal issues are involved.
- (b) Each Party shall bear its own costs and expenses and an equal share of the arbitrator's and administrative fees of arbitration. Notwithstanding the foregoing, if a Party unsuccessfully contests the validity or scope of arbitration in a court of law, the non-contesting Party shall be awarded reasonable attorneys' fees and expenses incurred in defending such contest. All decisions respecting the arbitrability of any Claim shall be decided by the arbitrator(s).
- (c) The award of the arbitrator(s) shall be accompanied by detailed written findings of fact and conclusions of law. Except as may be required by law or for confirmation of an award, neither a Party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both Parties.

14.03 No Discrimination. No action shall be taken by the Association or the Board which would discriminate against any Person on the basis of race, creed, color, national origin, religion, sex, familial status or handicap.

14.04 Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration, the Bylaws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in the Condominium Instruments or by law, all rights and powers of the Association may be exercised by the Board without a vote of the Owners.

14.05 Term. The covenants and restrictions of this Declaration shall run with and bind the Property and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any Unit; their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this Declaration is recorded. After such time, the covenants and restrictions shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by the then Owners representing at least eighty percent (80%) of the total votes in the Association, has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to terminate the same, in which case this Declaration shall be terminated as specified therein.

14.06. Amendment.

- (a) Intentionally Left Blank.
- (b) By the Association. The Association, through the Board of Directors, may unilaterally amend this Declaration for those purposes permitted under Section 82.007, 82.056(d), 82.058(c), 82.062, 82.063 or 82.067(f) of the Condominium Act.
- (c) By Owners. Except as provided in the Condominium Act and otherwise specifically provided in this Declaration, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners representing at least sixty-seven percent (67%) of the total votes in the Association. In addition, the approval requirements set forth in Article XIII hereof shall be met, if applicable.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under the clause. To be effective, any amendment must be recorded in Tarrant County, Texas.

If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that such Owner has the authority so to consent and no contrary provision in any Mortgage or contract between the owner and a third party will affect the validity of such amendment. Any action to challenge the validity of an amendment adopted under this Section must be brought within one (1) year of the date of the recording of such amendment. No action to challenge such amendment may be brought after such time.

No meeting to consider or adopt an amendment to this Declaration, the Bylaws or any rules of the Association shall be held unless such Owner has been provided a document showing the specific amendment to be considered after the twentieth (20th) day but before the tenth (10th) day preceding the date of the meeting. The information is considered to have been given to an Owner on the date the information is personally delivered to the Owner, as shown by a receipt signed by

the Owner, or on the date shown by the postmark on the information after it is deposited in the United States mail with a proper address and postage paid.

14.07 Use of Recreational Facilities. Each Owner acknowledges that certain recreational facilities including, but not limited to, the Clubhouse Facilities are or may be provided within the Condominium for the use and enjoyment of the Owners and Residents, and their respective families; tenants, and invitees. Inclusion of a recreational facility in this Section 14.07 shall not, under any circumstances, obligate the Association to provide such facility, nor shall the omission of any type of recreational facility from this Section 14.07 prevent the Association from providing such facility at a later time. Each Owner hereby acknowledges that there are risks associated with the use of any such recreational facilities and that ALL USERS OF SUCH FACILITIES ARE SOLELY RESPONSIBLE FOR SUCH RISK. Each Owner, by accepting a deed to a Unit, acknowledges that he or she has not relied upon the representations of the Association with respect to the safety of any recreational facilities within the Project.

The Association may, but shall not be obligated to, contract with, employ or otherwise provide, from time to time, a lifeguard or other monitoring personnel to be present at any recreational facility within the Project. Each Owner acknowledges that the presence of such personnel shall not create a duty on the part of the Association to provide for, insure or guarantee the safety of any user of the facility. Each Owner acknowledges that the presence of such monitoring personnel shall not in any way alter the risks assumed by each Owner, his or her family members, tenants, other residents of Owner's Unit and guests of any such Persons, which risks shall continue to be assumed by the user of the recreational facility.

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

14.09 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order or otherwise shall in no way affect the application of such provision to other circumstances or affect any other provision(s), which shall remain in full force and effect.

14.10 Indemnification. The Association shall indemnify every officer, director and committee member against any and all expenses (including reasonable attorney's fees and costs), reasonably incurred by or imposed upon such officer, director or committee member in connection with any action, suit or other proceeding (including any settlement thereof, if approved by the then Board) to which he or she may be a party by reason of being or having

been an officer, director or committee member to the fullest extent provided by Article 1396-2.22(A) of the Texas Non-Profit Corporation Act, as the same may be amended from time to time. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

14.11 Use of "Watermere at Southlake Condominiums" Word or Mark. No Person shall use the word "Watermere at Southlake Condominiums" or any logo or derivative in any printed or promotional material or web site without the prior written consent of the Association. However, Owners may use the term "Watermere at Southlake Condominiums" where such term is used solely to specify that a Unit is located in the Condominium and the Association shall be entitled to use the word "Watermere at Southlake Condominiums" in its name.

14.12 Litigation. Except as otherwise specifically provided below, no judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by Owners representing at least seventy-five percent (75%) of the total votes in the Association. This section shall not apply, however, to (i) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (ii) the imposition and collection of assessments as provided in Article V, (iii) proceedings involving challenges to ad valorem taxation, or (iv) counterclaims brought by the Association in proceedings instituted against it. This section shall not be amended unless such amendment is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

14.13 Notice of Sale or Transfer of Title. In the event that any Owner desires to sell or otherwise transfer title to his or her Unit, such Owner shall give the Board at least seven (7) days prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. The transferor shall continue to be jointly and severally responsible with the transferee for all obligations of the Owner of the Unit coming due prior to the date upon which such notice is received by the Board, including assessment obligations, notwithstanding the transfer of title to the Unit.

14.14 Disclosures. Each Owner and Resident acknowledges the following:

- (a) The Property is located adjacent to thoroughfares that may be affected by traffic and noise from time to time and may be improved or widened in the future.
- (b) The views and natural light from an Owner's Unit can change over time due to, among other things, additional development and the addition or removal of landscaping.
- (c) No representations are made regarding the uses or zoning of adjacent property, or that the present uses of adjacent property may not change in the future.
- (d) No representations are made regarding which schools may now or hereafter serve the Property.

- (e) No representations are made that a Unit is or will be soundproof or that sound may not be transmitted from one Unit to another or within a Unit from one floor to another, and any such transmission of noise shall not constitute a use of Unit that interferes with or causes disruption to the use and quiet enjoyment of another Unit by its respective Owner and/or Occupant. EACH OWNER, BY ACCEPTANCE OF A DEED OR OTHER CONVEYANCE OF THEIR UNIT, HEREBY ACKNOWLEDGES AND AGREES THAT SOUND AND IMPACT NOISE TRANSMISSION IN A BUILDING SUCH AS THE TOWER BUILDING IS VERY DIFFICULT TO CONTROL, AND THAT NOISES FROM ADJOINING OR NEARBY UNITS AND THE SURROUNDING DEVELOPMENT AND/ OR MECHANICAL EQUIPMENT CAN AND WILL BE HEARD IN UNITS. THE ASSOCIATION DOES NOT MAKE ANY REPRESENTATION OR WARRANTY AS TO THE LEVEL OF SOUND OR IMPACT NOISE TRANSMISSION BETWEEN AND AMONG UNITS AND THE OTHER PORTIONS OF THE PROPERTY, AND EACH OWNER HEREBY WAIVES AND EXPRESSLY RELEASES, TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW AS OF THE DATE OF THIS DECLARATION, ANY SUCH WARRANTY AND CLAIM FOR LOSS OR DAMAGES RESULTING FROM SOUND OR IMPACT NOISE TRANSMISSION.
- (f) The Condominium Plat and the dimensions and square footage calculations shown thereon are only approximations. Any Unit Owner who is concerned about any representations regarding the Plat should do its own investigation as to the dimensions, measurements and square footage of its Unit.
- (g) Owners should expect that assessment amounts can and will increase over time due in part to inflation and increases in the cost of certain items beyond the control of the Association, such as the cost of insurance premiums.
- (h) Since in every neighborhood there are conditions which different people may find objectionable, it is acknowledged that there may be conditions outside of the Condominium Property which an Owner or tenant finds objectionable and that it shall be the sole responsibility of the Owners and tenants to become acquainted with neighborhood conditions which could affect the Unit.
- (i) Intentionally Left Blank.
- (j) Exposed concrete surfaces in portions of the building that are not heated and cooled are subject to cracking due to (i) water penetration, (ii) expansion and contraction of the concrete with temperature changes, and (iii) building settlement.
- (k) Concrete surfaces in heated and cooled portions of the building are subject to

cracking due to building settlement.

- (l) A Unit may trap humidity created by everyday living (cooking, bathing, laundering, etc.). As a result, condensation may appear on the interior portion of windows and glass surfaces and fogging of windows and glass surfaces may occur due to temperature disparities between the interior and exterior portions of the windows, glass and framing. If left unattended and not properly maintained by Owners and Residents, the condensation may increase resulting in staining, damage to surrounding seals, caulk, paint, wood work and sheetrock, and potentially, mildew and/or mold.
- (m) The Tower Building is constructed with a flat roof system. Rainwater and refuse may accumulate on various portions of the building's roof system and should be anticipated by the Owners and Residents. Minimizing water intrusion and water penetrations may be possible if the building's roof systems are properly maintained by the parties responsible for providing such maintenance, as more specifically set forth in Article XII of the Declaration.
- (n) The Condominium may be subject to erosion and/or flooding during unusually intense or prolonged periods of rain.
- (o) Watermere at Southlake Condominiums may make use of the Property's subsurface groundwater for irrigation or for maintaining lake levels. The property's subsurface groundwater is not intended to be used (and should not be used) for any purpose by any owner. The building's drinking water is supplied by the City of Southlake and does not come from on-site, subsurface groundwater wells. The Association makes no representation regarding the taste, quality or odor of the Property's drinking water.
- (p) All lakes and wetlands within the Properties are designed as water management areas and not as aesthetic features. Because of fluctuations in water elevations within the immediate area, the water level of lakes, creeks, and streams will rise and fall. Association has no control over such elevations.
- (q) Intentionally Left Blank.
- (r) Primary access to the Property is to be provided by Watermere Boulevard which is intended to be dedicated to the public and thereafter maintained by the City of Southlake. The Association makes no representation regarding the level of maintenance to which the City of Southlake may maintain and repair such road.
- (s) The Association makes no representation regarding the nature or type of amenities to be provided in the Clubhouse. The Association reserves the right to modify the number, layout and configuration of rooms and floors within the Clubhouse from that depicted on the Site Plan or any other plans, drawings or models.

14.15 Right of Action: Subject to the provisions of Section 14.02 of this Declaration, Owners, acting collectively or individually, shall have the right to maintain actions against the Association for its willful failure to perform its duties and responsibilities hereunder; provided, however, no other action shall be brought against the Association or its affiliates, parents, subsidiaries, officers, directors, agents, employees, predecessors, successors, contractors, consultants, insurers, sureties and assigns by the Owners. The Association shall not have the power to institute, defend, intervene in, settle or compromise litigation or administrative proceedings in the name or on behalf of any Owner or with respect to any portion of the Condominium except the Common Elements. Subject to the Association's obligations under this Declaration, each Owner hereby releases, acquits and forever discharges the Association, and its affiliates, parents, members, subsidiaries, officers, directors, agents, employees, predecessors, successors, contractors, consultants, insurers, sureties and assigns and agrees to hold such Persons harmless of and from any and all claims, damages, liabilities, costs and/or expenses (including reasonable attorneys' fees) relating to the construction of, repair or restoration of, or the sale to the Owners-of the Units or the Common Elements. This release shall release and forever discharge the Association and its affiliates, parents, members, subsidiaries, offices, directors, agents, employees, predecessors, successors, contractors, consultants, insurers, sureties and assigns from all claims and causes of action, whether statutory or under the common law, known or unknown, now accrued, or that arise in the future.

14.16 Limitation of Liability. No officer or director of the Association shall be liable to any Owner of any Unit or any Tenant, for any claims, actions, demands, costs, expenses (including attorneys' fees), damages or liability, of any kind or nature, except as otherwise expressly set forth in the Bylaws and such officers and directors shall be indemnified in accordance with the provisions of the Condominium Instruments.

**ARTICLE XV
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[SIGNATURE TO FOLLOW]

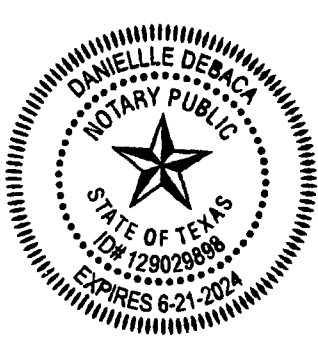
IN WITNESS WHEREOF, the members of the Watermerc at Southlake Condominium Association, Inc. have caused this First Amended and Restated Declaration and Master Deed for Watermerc at Southlake Condominiums to be effective when filed with the Office of the Tarrant County Clerk.

WATERMERE AT SOUTHLAKE CONDOMINIUM ASSOCIATION, INC.

By: *Roger A. Ohmstedt*
Its: PRESIDENT

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

This instrument was acknowledged before me on the 2nd day of June, 2022, by Roger A. Ohmstedt President for Watermerc at Southlake Condominium Association, Inc.



Danielle DeBaca
Notary Public, State of Texas

Exhibit A-1
Legal Description
(Based on Eleventh Supplement to Declaration)

TRACT 1:

BEING a 5.66 acre tract of land situated in the Jesse C. Allen Survey, Abstract No. 18 in Tarrant County, Texas, and being all of Lots 2 and 3, Block B, Watermere at Southlake Addition, an addition to the City of Southlake, Tarrant County, Texas, according to the plat thereof recorded in Cabinet A, Slide 12461, Plot Records, Tarrant County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found for the southwest corner of said Lot 3, Block B, some being the southeast corner of a tract of land conveyed to James Lee and wife, Jane S. Lee by deed recorded in Document No. 0201270000, of the Deed Records of Tarrant County, Texas, same being in the north line of a tract of land conveyed to Southlake Watermark Holdings, L.P., by deed as recorded in Document No. D206233903, Deed Records, Tarrant County, Texas.

THENCE North 00 deg. 01 min. 32 sec. East, along the west line of said Block B, a distance of 1002.83 feet to a point for corner, said corner being the northwest corner of said Lot 2;

THENCE South 89 deg. 58 min. 36 sec. East, along the north line of said lot 2, a distance of 302.71 feet to a point for corner, said corner being the northeast corner of said Lot 2, some being in the west right-of-way line of Watermere Drive (a 60' right-of-way), said corner being the beginning of a non-tangent curve to the right having a radius of 170.00 feet, and a delta angle of 37 deg. 18 min. 36 sec.;

THENCE, along the common line of said Block B, and said Watermere Drive as follows:

Along said non-tangent curve to the right, an arc distance of 110.70 feet, and a chord bearing and distance of South 19 deg. 03 min. 34 sec. West, 108.76 feet to a point for corner;
South 37 deg. 11 min. 33 sec. West, a distance of 77.02 feet to a point for corner, said point being the beginning of a curve to the left having a radius of 230.00 feet, and a delta angle of 37 deg. 12 min. 21 sec.;

Along said curve to the left, an arc distance of 149.35 feet, and a chord bearing and distance of South 18 deg. 35 min. 22 sec. West, 146.74 feet to a point for corner;
South 00 deg. 00 min. 48 sec. East, a distance of 125.00 feet to a point for corner, said corner being the beginning of a curve to the left having a radius of 230.00 feet, and a delta angle of 37 deg. 12 min. 21 sec.;

Along said curve to the left, an arc distance of 149.35 feet, and a chord bearing of South 18 deg. 36 min. 59 sec. East, 146.74 feet to a point for corner;
South 37 deg. 13 min. 09 sec. East, a distance of 78.29 feet to a point for corner, said point being the beginning of a curve to the right having a radius of 170.00 feet, and a delta angle of 37 deg. 13 min. 09 sec.;

Along said curve to the right, an arc distance of 110.43 feet, and a chord bearing and distance of South 18 deg. 36 min. 35 sec. East, a distance of 108.50 feet to a point for corner;
South 00 deg. 00 min. 00 sec. East, a distance of 270.57 feet to a 1/2 inch iron rod found for the southeast corner of said Block B, some being the southwest corner of said Watermere, Drive, same being in the north line of aforesaid Southlake Watermark Holdings tract;

THENCE North 89 deg. 56 min. 08 sec. West, along the common line of said Block B, and said Southlake Watermark Holdings tract, a distance of 303.15 feet to the POINT OF BEGINNING and containing 246,475 square feet or 5.66 acres of computed land, more or less.

SAVE AND EXCEPT all minerals, oil and gas owned by Declarant (including but not by way limitation oil, gas, sulfur, coal, lignite and uranium) in, under and that may be produced from the property to be submitted to this condominium, including all royalties, bonus, delay rentals, rights of reverter, due and payable under any applicable oil, gas or mineral lease covering said property, including any and all surface rights and executive rights.

TRACT 2,

BEING a 1.65 acre tract of land situated in the Jesse C. Allen Survey, Abstract No. 18 in Tarrant County, Texas, and being Lots 1 and 2, Block A, Watermere at Southlake Addition, an addition to the City of Southlake, Tarrant County, Texas, according to the plat thereof recorded in Cabinet A, Slide: 12461, Plat Records, Tarrant County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found for the northeast corner of said Lot 2, same being the northwest corner of Lot 13R, J. G. Allen Addition, an addition to the City of Southlake, Tarrant County, Texas, according to the plat thereof recorded in Cabinet A, Slide 12950, aforesaid Plat Records, same being in the south right-of-way line of W. Southlake Boulevard (F.M. 1709) (a variable width right-of-way)

THENCE South 00 deg. 01 min. 06 sec. East, along the common line of said Lot 2, Block A, and said Lot 13R, a distance of 249.06 feet to a 1/2 inch iron rod found for corner, said point being the southeast corner of said Lot 2, Block A, same being the northeast corner of Lot 3, Block A, of said Watermere at Southlake Addition;

THENCE North 89 deg. 55 min. 46 sec. West, along the common line of said Lot 2, Block A, and said Lot 3, Block A, a distance of 389.05 feet to on 'X' cut found for the southwest corner of said Lot 2, Block A, same being the northwest corner of said Lot 3, Block A, same being in the east right-of-way line of Watermere Drive (a 60' right-of-way);

THENCE North 00 deg. 00 min. 00 sec. West, along the east right-of-way line of said Watermere Drive, a distance of 148.81 feet to a point for corner, said corner being the northwest corner of said Watermere Drive, same being the intersection of the west right-of-way line of Watermere Drive with the south right-of-way line of said W. Southlake Boulevard (F.M. 1709), same being the northwest corner of said Block A, same being the beginning of a non-tangent curve to the left having a radius of 1004.93 feet, and a delta angle of 20 deg. 41 min. 24 sec.;

THENCE along the common line of said Block A, and said W. Southlake Boulevard, and along said non-tangent curve to the left, an arc distance 362.89 feet, and a chord bearing and distance of North 76 deg. 57 min. 07 sec. East, 360.92 feet to a 1/2 inch Iron rod found for corner;

THENCE North 63 deg. 07 min. 30 sec. East, continuing along the common line of said Block A, and the south right-of-way line of said W. Southlake Boulevard, a distance of 30.47 feet to a 1/2 inch iron rod found for corner;

THENCE North 66 deg. 05 min. 15 sec. East, continuing along the common line of said lot 2, Block A, and the south right-of-way line of said W. Southlake Boulevard, a distance of 11.15 feet to the POINT OF BEGINNING and containing 71,769 square feet or 1.65 acres of computed land, more or less.

SAVE AND EXCEPT all minerals, oil and gas owned by Declarant (including but not by way limitation oil, gas, sulfur, coal, lignite and uranium) in, under and that may be produced from the property to be submitted to this condominium, including all royalties, bonus, delay rentals, rights of reverter, due and payable under any applicable oil, gas or mineral lease covering said property, including any and all surface rights and executive rights.

TRACT 3:

BEING a 7.40 acre tract of land situated in the Jesse C. Allen Survey, Abstract No. 18 in Tarrant County, Texas, and being a portion of Lot 4, Block 1, Watermere at Southlake Addition, an addition to the City of Southlake, Tarrant County, Texas, according to the plat thereof recorded in Cabinet A, Slide 12461, Plat Records, Tarrant County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found for the most westerly southwest corner of said Lot 4, Block 1, same being in the north line of a tract of land conveyed to Southlake Watermark Holdings, L.P., by deed as recorded in Document No. D206233903, Deed Records, Tarrant County, Texas, same being the southeast corner of Watermere Drive (a 60' right-of-way);

THENCE along the common line of said Lot 4, Block 1, and the east right-of-way line of said Watermere Drive, as follows:

North 00 deg. 00 min. 00 sec. West, a distance of 270.57 feet to a point for corner, said corner being the beginning of a curve to the left having a radius of 230.00 feet, and a delta angle of 37 deg. 13 min. 09 sec.;

Along said curve to the left, an arc distance of 149.41 feet, and a chord bearing and distance of North 18 deg. 36 min. 35 sec. West, 146.79 feet to a point for corner;

North 37 deg. 13 min. 09 sec. West, a distance of 78.29 feet to a point for corner, said corner being the beginning of a curve to the right having a radius of 170.00 feet, and a delta angle of 37 deg. 12 min. 21 sec.;

Along said curve to the right, an arc distance of 110.39 feet, and a chord bearing and distance of North 18 deg. 36 min. 59 sec. West, 108.46 feet to a point for corner;

North 00 deg. 00 min. 48 sec. West, a distance of 10.48 feet to a point for corner;

THENCE through the interior of aforesaid Lot 4, Block I as follows:

North 90 deg. 00 min. 00 sec. East, a distance of 518.11 feet to a point for corner;

South 00 deg. 01 min. 06 sec. East, a distance of 70.27 feet to a point for corner;

North 90 deg. 00 min. 00 sec. East, a distance of 144.46 feet to a point for corner;

South 00 deg. 00 min. 00 sec. East, a distance of 515.00 feet to a point for corner;

South 89 deg. 59 min. 49 sec. West, passing an internal corner of said Lot 4, Block 1, same being the northeast corner of aforesaid Southlake Watermark Holdings tract, and continuing along the common line of said Lot 4, Block 1, and said Southlake Watermark Holdings tract, a total distance of 533.76 feet to the **POINT OF BEGINNING** and containing 322,183 square feet or 7.40 acres of computed land, more or less.

SAVE AND EXCEPT all minerals, oil and gas owned by Declarant (including but not by way limitation oil, gas, sulfur, coal, lignite and uranium) in, under and that may be produced from the property to be submitted to this condominium, including all royalties, bonus, delay rentals, rights of reverter, due and payable under any applicable oil, gas or mineral lease covering said property, including any and all surface rights and executive rights.

TRACT 4:

BEING a 0.87 acre tract of land situated in the Jesse C. Allen Survey, Abstract No. 18 in Tarrant County, Texas, and being a portion of Lot 4, Block 1, Watermere at Southlake Addition, an addition to the City of Southlake, Tarrant County, Texas, according to the plat thereof recorded in Cabinet A, Slide 12461, Plat Records, Tarrant County, Texas, and being more particularly described as follows:

COMMENCING at a 1/2 inch iron rod found for the most westerly southwest corner of said Lot 4, Block 1, same being in the north line of a tract of land conveyed to Southlake Watermark Holdings, L.P., by deed as recorded in Document No. D206233903, Deed Records, Tarrant County, Texas, same being the southeast corner of Watermere Drive (a 60' right-of-way);

THENCE along the common line of said Lot 4, Block 1, and the east right-of-way line of said Watermere Drive, as follows:

North 00 deg. 00 min. 00 sec. West, a distance of 270.57 feet to a point for corner, said corner being the beginning of a curve to the left having a radius of 230.00 feet, and a delta angle of 37 deg. 13 min. 09 sec.;

Along said curve to the left, an arc distance of 149.41 feet, and a chord bearing and distance of North 18 deg. 36 min. 35 sec. West, 146.79 feet to a point for corner;

North 37 deg. 13 min. 09 sec. West, a distance of 78.29 feet to a point for corner, said corner being the beginning of a curve to the right having a radius of 170.00 feet, and a delta angle of 37 deg. 12 min. 21 sec.;

Along said curve to the right, an arc distance of 110.39 feet, and a chord bearing and distance of North 18 deg. 36 min. 59 sec. West, 108.46 feet to a point for corner;

North 00 deg. 00 min. 48 sec. West, a distance of 10.48 feet to a point for corner;

THENCE through the interior of aforesaid Lot 4, Block 1 as follows:

North 90 deg. 00 min. 00 sec. East, a distance of 518.11 feet to a point for corner;

South 00 deg. 01 min. 06 sec. East, a distance of 70.27 feet to a point for corner;

North 90 deg. 00 min. 00 sec. East, a distance of 144.46 feet to a point for corner;

South 00 deg. 00 min. 00 sec. East, a distance of 269.66 feet to a point for the northeast corner of the herein described tract, being the **POINT OF BEGINNING**;

South 00 deg. 00 min. 00 sec. East, a distance of 245.34 feet to a point for the southeast corner of the herein described tract:

South 89 deg. 59 min. 49 sec. West, a distance of 153.32 feet to a point for the southwest corner of the herein described tract;

North 00 deg. 00 min. 00 sec. West, a distance of 245.36 feet to a point for the northwest corner of the herein described tract;

North 90 deg. 00 min. 00 sec. East, a distance of 153.32 to the **POINT OF BEGINNING** and containing 37,615 square feet or 0.87 acre of computed land, more or less.

SAVE AND EXCEPT all minerals, oil and gas owned by Declarant (including but not by way limitation oil, gas, sulfur, coal, lignite and uranium) in, under and that may be produced from the property to be submitted to this condominium, including all royalties, bonus, delay rentals, rights of reverter, due and payable under any applicable oil, gas or mineral lease covering said property, including any and all surface rights and executive rights.

TRACT 5:

BEING a 1.95 acre tract of land situated in the Jesse C. Allen Survey, Abstract No. 18 in Tarrant County, Texas, and being a portion of Lot 4R2, Block 1, Watermere at Southlake Addition, an addition to the City of Southlake, Tarrant County, Texas, according to the plat thereof recorded in Instrument No. D212033579, Plat Records, Tarrant County, Texas, and being more particularly described as follows:

COMMENCING at a 1/2 inch iron rod found for the most westerly southwest corner of said Lot 4R2, Block 1, same being in the north line of a tract of land conveyed to Southlake Watermark Holdings, L.P., by deed as recorded in Document No. D206233903, Deed Records, Tarrant County, Texas, same being the southeast corner of Watermere Drive (a 60' right-of-way);

THENCE North 89 deg. 59 min. 49 sec. East, along the common line of said 4R2, and said Southlake Watermark Holdings tract, a distance of 239.92 feet to a 1/2 inch iron rod found for an internal corner of said Lot 4R2, same being the POINT OF BEGINNING;

THENCE through the interior of said Lot 4R2 as follows:

North 89 deg. 59 min. 49 sec. East, a distance of 293.84 feet to an internal corner of the herein described tract;

North, a distance of 515.00 feet to a point for the most northerly northwest corner of the herein described tract;

East, a distance of 6.41 feet to a point for the most northerly northeast corner of the herein described tract;

South, a distance of 460.40 feet to a point for the beginning of a non-tangent curve to the left having a radius of 31.00 feet, and a delta angle of 47 deg. 40 min. 46 sec.;

In a southeasterly direction, along said non-tangent curve to the left, an arc distance of 25.80 feet, and a chord bearing and distance of South 62 deg. 51 min. 11 sec. East, 25.06 feet to a point for the beginning of a reverse curve to the right having a radius of 56.00 feet, and a delta angle of 86 deg. 41 min. 34 sec.;

In a southeasterly direction, along said curve to the right, an arc distance of 84.73 feet, and a chord bearing and distance of South 43 deg. 20 min. 47 sec. East, 76.88 feet to a point for corner;

South, a distance of 143.01 feet to a point for the beginning of a curve to the right having a radius of 56.00 feet, and a delta angle of 89 deg. 59 min. 59 sec.;

In a southwesterly direction, along said curve to the right, an arc distance of 87.96 feet, and a chord bearing and distance of South 45 deg. 00 min. 00 sec. West, 79.20 feet to a point for corner;

West, a distance of 319.26 feet to a point in the west line of said Lot 4R2, same being in the east line of aforesaid Southlake Watermark Holdings tract;

THENCE North 00 deg. 01 min. 06 sec. West, along the common line of said Lot 4R2, and said Southlake Watermark Holdings tract, a distance of 211.73 feet to the POINT OF BEGINNING and containing 84,749 square feet or 1.95 acres of computed land, more or less.

SAVE AND EXCEPT all minerals, oil and gas owned by Declarant (including but not by way limitation oil, gas, sulfur, coal, lignite and uranium) in, under and that may be produced from the property to be submitted to this condominium, including all royalties, bonus, delay rentals, rights of reverter, due and payable under any applicable oil, gas or mineral lease covering said property, including any and all surface rights and executive rights.

TRACT 6:

BEING a 1.076 acre tract of land situated in the Jesse C. Allen Survey, Abstract No. 18 in Tarrant County, Texas, and being a portion of Lot 4R2, Block 1, Watermere at Southlake Addition, an addition to the City of Southlake, Tarrant County, Texas, according to the plat thereof recorded in Instrument No. D212033579, Plat Records, Tarrant County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found for the most easterly northeast corner of said Lot 4R2, Block 1, same being in the west line of that certain tract of land to Elmer I. Wiesman, by deed recorded in Volume 4089, Page 9, Deed Records, Tarrant County, Texas, same being the southeast corner of Lot 13R, J.G. Allen No. 18 Addition, an addition to the City of Southlake, Tarrant County, Texas, according to the plat thereof recorded in Cabinet A, Slide 10709, Plat Records, Tarrant County, Texas;

THENCE South 01 deg. 10 min. 02 sec. East, along the common line of said Lot 4R2, and said Wiesman tract, a distance of 255.21 feet to a point for the southeast corner of the herein described tract;

THENCE West, through the interior of said Lot 4R2, a distance of 184.97 feet to a point for the southwest corner of the herein described tract;

THENCE North, continuing through the interior of said Lot 4R2, a distance of 258.94 feet to a point for the northwest corner of the herein described tract, same being in a north line of said Lot 4R2, same being in the south line of aforesaid Lot 13R;

THENCE South 88 deg. 47 min. 36 sec. East, along the common line of said Lot 4R2, and said Lot 13R, a distance of 179.81 feet to the POINT OF BEGINNING and containing 46,873 square feet or 1.076 acres of computed land, more or less.

SAVE AND EXCEPT all minerals, oil and gas owned by Declarant (including but not by way limitation oil, gas, sulfur, coal, lignite and uranium) in, under and that may be produced from the property to be submitted to this condominium, including all royalties, bonus, delay rentals, rights of reverter, due and payable under any applicable oil, gas or mineral lease covering said property, including any and all surface rights and executive rights.

TRACT 7:

BEING all that certain 6.917 acre tract of land situated in the Jesse C. Allen Survey, Abstract No. 18, in Tarrant County, Texas, and being a portion of that certain tract of land conveyed to Keller Watermere, L.P. by deed recorded in Document No. D206238263, of the Deed Records of Tarrant County, Texas, also being a portion of Lot 4R2, Block 1, Watermere at Southlake, an addition to the City of Southlake, Tarrant County, Texas, according to the plat thereof recorded in Document No. D212033579, Official Public Records, Tarrant County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found in the North line of said Keller Watermere, L.P., same being the most westerly Southwest corner of said Lot 4R2, same being the Southeast corner of Watermere Drive (60 foot right-of-way per Cabinet A, Slide 12460, Map Records, Tarrant County, Texas), same being the Northeast corner of Watermere Drive (60 foot right-of-way per Instrument Number D213275327, said Official Public Records);

THENCE North, along the common line of said Lot 4R2 and said Watermere Drive (Cabinet A, Slide 12460), a distance of 38.01 feet to a point for the Northwest corner of the herein described tract, same being the Northwest corner of a 25 foot common access easement per Instrument Number D212033579, said Official Public Records;

THENCE through the interior of said Lot 4R2 and along the North and East lines of said 25 foot common access easement as follows:

North 89 deg. 59 min. 50 sec. East, a distance of 221.87 feet to a point for the beginning of a curve to the right, having a radius of 56.00 feet and a delta angle of 90 deg. 00 min. 10 sec.;

Along said curve to the right, an arc distance of 87.97 feet and a chord bearing and distance of South 45 deg. 00 min. 05 sec. East, 79.20 feet to a point for angle point;

South 00 deg. 00 min. 34 sec. East, a distance of 312.30 feet to a point for a Southeast corner of the herein described tract, same being the Southeast corner of said 25 foot common access easement, same being in a South line of said Lot 4R2, same being in the North line of Lot 4R3, Block 1, aforesaid Watermere at Southlake;

THENCE South 89 deg. 58 min. 54 sec. West, along the common line of Lot 4R2 and 4R3, a distance of 37.90 feet to a point for an internal corner of the herein described tract, same being the most southerly Southwest corner of said Lot 4R2, same being the Northwest corner of said Lot 4R3, same being in the East line of aforesaid Keller Watermere, L.P.;

THENCE North 00 deg. 01 min. 06 sec. West, along the common line of said Lot 4R2 and said Keller Watermere, L.P., a distance of 316.12 feet to a point for an internal corner of the herein described tract;

THENCE through the interior of said Keller Watermere, L.P. as follows:

South 89 deg. 58 min. 54 sec. West, a distance of 114.95 feet to a point for an internal corner of the herein described tract;

South 00 deg. 00 min. 11 sec. East, a distance of 385.00 feet to a point for an internal corner of the herein described tract;

North 89 deg. 59 min. 49 sec. East, a distance of 13.55 feet to a point for an internal corner of the herein described tract;
South 00 deg. 00 min. 11 sec. East, a distance of 400.00 feet to a point for an internal corner of the herein described tract;
North 89 deg. 59 min. 49 sec. East, a distance of 115.00 feet to a point for the most southerly Northeast corner of the herein described tract;
South 00 deg. 00 min. 11 sec. East, a distance of 150.64 feet to a point for the most southerly Southeast corner of the herein described tract, same being the beginning of a curve to the right, having a radius of 18.50 feet and a delta angle of 90 deg. 01 min. 11 sec.;
Along said curve to the right, an arc distance of 29.07 feet and a chord bearing and distance of South 45 deg. 00 min. 24 sec. West, 26.17 feet to a point for angle point;
North 89 deg. 59 min. 00 sec. West, a distance of 133.36 feet to a point for the most southerly Southwest corner of the herein described tract;
North 00 deg. 00 min. 58 sec. West, a distance of 115.00 feet to a point for an internal corner of the herein described tract;
North 89 deg. 59 min. 00 sec. West, a distance of 220.00 feet to a point for an internal corner of the herein described tract;
North 00 deg. 00 min. 58 sec. West, a distance of 65.16 feet to a point for an internal corner of the herein described tract;
South 89 deg. 59 min. 02 sec. West, a distance of 240.00 feet to a point for an internal corner of the herein described tract;
South 00 deg. 00 min. 58 sec. East, a distance of 140.00 feet to a point for the most westerly Southeast corner of the herein described tract;
North 89 deg. 57 min. 39 sec. West, a distance of 31.65 feet to a point for the most westerly Southwest corner of the herein described tract, same being in the East right-of-way line of said Watermere Drive (Instrument Number D213175327);

THENCE along the East right-of-way line of Watermere Drive (Instrument Number D213175327) as follows:

North 00 deg. 02 min. 21 sec. East, a distance of 21.81 feet to a point for the beginning of a curve to the right, having a radius of 465.50 feet and a delta angle of 21 deg. 39 min. 02 sec.;
Along said curve to the right, an arc distance of 175.90 feet and a chord bearing and distance of North 05 deg. 22 min. 22 sec. East, 174.86 feet to a point for the beginning of a curve to the right, having a radius of 473.44 feet and a delta angle of 10 deg. 08 min. 21 sec.;
Along said curve to the right, an arc distance of 83.78 feet and a chord bearing and distance of North 25 deg. 19 min. 06 sec. East, 83.67 feet to a point for angle point;
North 30 deg. 24 min. 23 sec. East, a distance of 126.18 feet to a point for the beginning of a curve to the right, having a radius of 370.00 feet and a delta angle of 12 deg. 34 min. 01 sec.;
Along said curve to the right, an arc distance of 81.15 feet and a chord bearing and distance of North 36 deg. 41 min. 23 sec. East, 80.99 feet to a point for angle point;
North 42 deg. 58 min. 24 sec. East, a distance of 161.59 feet to a point for the beginning of a curve to the left, having a radius of 430.00 feet and a delta angle of 42 deg. 58 min. 24 sec.;
Along said curve to the left, an arc distance of 322.51 feet and a chord bearing and distance of North 21 deg. 29 min. 12 sec. East, 315.01 feet to a point for angle point;
North, a distance of 71.48 feet to the POINT OF BEGINNING and containing 301,318 square feet or 6.917 acres of computed land, more or less.

SAVE AND EXCEPT all minerals, oil and gas owned by Declarant (including but not by way limitation oil, gas, sulfur, coal, lignite and uranium) in, under and that may be produced from the property to be submitted to this condominium, including all royalties, bonus, delay rentals, rights of reverter, due and payable under any applicable oil, gas or mineral lease covering said property, including any and all surface rights and executive rights.

TRACT 8:

BEING a 1.842 acre tract of land situated in the Jesse C. Allen Survey, Abstract No. 18 in Tarrant County, Texas, and being a portion of Lot 4R2, Block 1, Watermere at Southlake Addition, an addition to the City of Southlake, Tarrant County, Texas, according to the plat thereof recorded in Instrument No. D212033579, Plat Records, Tarrant County, Texas, and being more particularly described as follows:

COMMENCING at a 1/2 inch iron rod found for the most easterly northeast corner of said Lot 4R2, Block 1, same being in the west line of that certain tract of land to Elmer I. Wiesman, by deed recorded in Volume 4089, Page 9, Deed Records, Tarrant County, Texas, same being the southeast corner of Lot 13R, J.G. Allen No. 18 Addition, an addition to the City of Southlake, Tarrant County, Texas, according to the plat thereof recorded in Cabinet A, Slide 10709, Plat Records, Tarrant County, Texas;

THENCE along the common line of said Lot 4R2, and said Wiesman tract as follows:

South 01 deg. 10 min. 02 sec. East, a distance of 255.21 feet to a point for the Northeast corner of the herein described tract, same being the POINT OF BEGINNING;

South 01 deg. 10 min. 02 sec. East, a distance of 214.59 feet to a point for internal corner of the herein described tract, same being an internal corner of said Lot 4R2, same being the Southwest corner of said Wiesman tract;

South 88 deg. 47 min. 38 sec. East, a distance of 84.63 feet to a point for a Southeast corner of the herein described tract, same being an East corner of said Lot 4R2, same being the Northwest corner of that certain tract of land conveyed to Bobby Couch, by deed recorded in Volume 12111, Page 826, Deed Records, Tarrant County, Texas;

THENCE South 00 deg. 22 min. 49 sec. West, along the common line of said Lot 4R2 and said Couch tract, a distance of 149.33 feet to a point for the most southerly Southeast corner of the herein described tract;

THENCE through the interior of said Lot 4R2 as follows:

North 89 deg. 51 min. 50 sec. West, a distance of 210.91 feet to a point for the most southerly Southwest corner of the herein described tract, same being the beginning of a non-tangent curve to the left having a radius of 56.00 feet, a central angle of 46 deg. 49 min. 38 sec., and a chord bearing and distance of North 63 deg. 16 min. 45 sec. West, 44.50 feet;

Along said non-tangent curve to the left, an arc distance of 45.77 feet to a point for the beginning of a curve to the right, having a radius of 31.00 feet, a central angle of 47 deg. 40 min. 46 sec., and a chord bearing and distance of North 62 deg. 51 min. 11 sec. East, 25.06 feet;

Along said curve to the right, an arc distance of 25.80 feet to a point for angle point;

North, a distance of 333.71 feet to a point for the Northwest corner of the herein described tract;

East, a distance of 184.97 feet to the POINT OF BEGINNING and containing 80,251 square feet or 1.842 acres of computed land, more or less.

SAVE AND EXCEPT all minerals, oil and gas owned by Declarant (including but not by way limitation oil, gas, sulfur, coal, lignite and uranium) in, under and that may be produced from the property to be submitted to this condominium, including all royalties, bonus, delay rentals, rights of reverter, due and payable under any applicable oil, gas or mineral lease covering said property, including any and all surface rights and executive rights.

TRACT 9:

BEING a 2.64 acre tract of land situated in the Jesse C. Allen Survey, Abstract No. 18 in Tarrant County, Texas, and being a portion of Lot 4R2, Block 1, Watermere at Southlake Addition, an addition to the City of Southlake, Tarrant County, Texas, according to the plat thereof recorded in Instrument No. D212033579, Plat Records, Tarrant County, Texas, and being more particularly described as follows:

COMMENCING at a 1/2 inch iron rod found for the most westerly southwest corner of said Lot 4R2, Block 1, same being in the north line of a tract of land conveyed to Southlake Watermark Holdings, L.P., by deed as recorded in Document No. D206233903, Deed Records, Tarrant County, Texas, same being the southeast corner of Watermere Drive (a 60' right-of-way);

Thence South 00 deg. 01 min. 06 sec. East, along the common line of said 4R2 and said Southlake Watermark Holdings tract, a distance of 211.73 feet to a point for the most westerly northwest corner of the herein described tract, same being the POINT OF BEGINNING;

THENCE through the interior of said Lot 4R2, as follows;

East, a distance of 319.26 feet to an angle point and the beginning of a curve to the left, a radius of 56.00 feet and a delta angle of 89 deg. 59 min. 59 sec.;

In a northeasterly direction, along said curve to the left, an arc distance of 87.96 feet, and a chord bearing and distance of North 45 deg. 00 min. 00 sec. East, 79.20 feet to an angle point

North, a distance of 143.01 feet to an angle point and the beginning of a curve to the left, a radius of 56.00 feet and a delta and 39 deg. 51 min. 57 sec.

In a northwesterly direction, along said curve to the left, an arc distance of 38.96 feet, a chord bearing and distance of North 19 deg. 55 min. 58 sec. West, 38.18 feet to the most easterly northwest corner of the herein described tract;

South 89 deg. 51 min. 50 sec. West, a distance of 210.91 feet to the most easterly northeast corner of the herein described tract, same being in the west line of that certain tract of land conveyed to Bobby Couch, by deed recorded in Volume 12111, Page 826, said Deed Records;

THENCE South 00 deg. 22 min. 49 sec. West, along the common line of said 4R2 and said Couch tract, a distance of 353.53 feet to a point for the southeast corner of the herein described tract, same being the northeast corner of that certain tract of land conveyed to Joseph A. & Kimiela Mortazavi, by deed recorded in Document Number 9866-1403, said Deed Records;

THENC North 89 deg. 56 min. 45 sec. West, along the common line of said Mortazavi tract and said 4R2, passing the northwest corner of said Mortazavi tract, same being the northeast corner of Lot 4R3, Block 1, of aforesaid Watermere at Southlake Addition, by plat recorded in Instrument No. D212033579, said Plat Records, and continuing along the common line of said Lot 4R2 and said Lot 4R3, a total distance of 570.76 feet to a point for the southwest corner of the herein described tract, same being the northwest corner of said Lot 4R3, same being in the east line of aforesaid Southlake Watermark Holdings, L.P. tract;

THENCE North 00 deg. 01 min. 06 sec. West, along the common line of said Lot 4R2 and said Southlake Watermark Holdings, L.P. tract, a distance of 118.58 feet to the POINT OF BEGINNING and containing 114,956 square feet or 2.64 acres of computed land, more or less.

SAVE AND EXCEPT all minerals, oil and gas owned by Declarant (including but not by way limitation oil, gas, sulfur, coal, lignite and uranium) in, under and that may be produced from the property to be submitted to this condominium, including all royalties, bonus, delay rentals, rights of reverter, due and payable under any applicable oil, gas or mineral lease covering said property, including any and all surface rights and executive rights.

Exhibit A-2

Site Plan

(Based on Eleventh Supplement to Declaration)

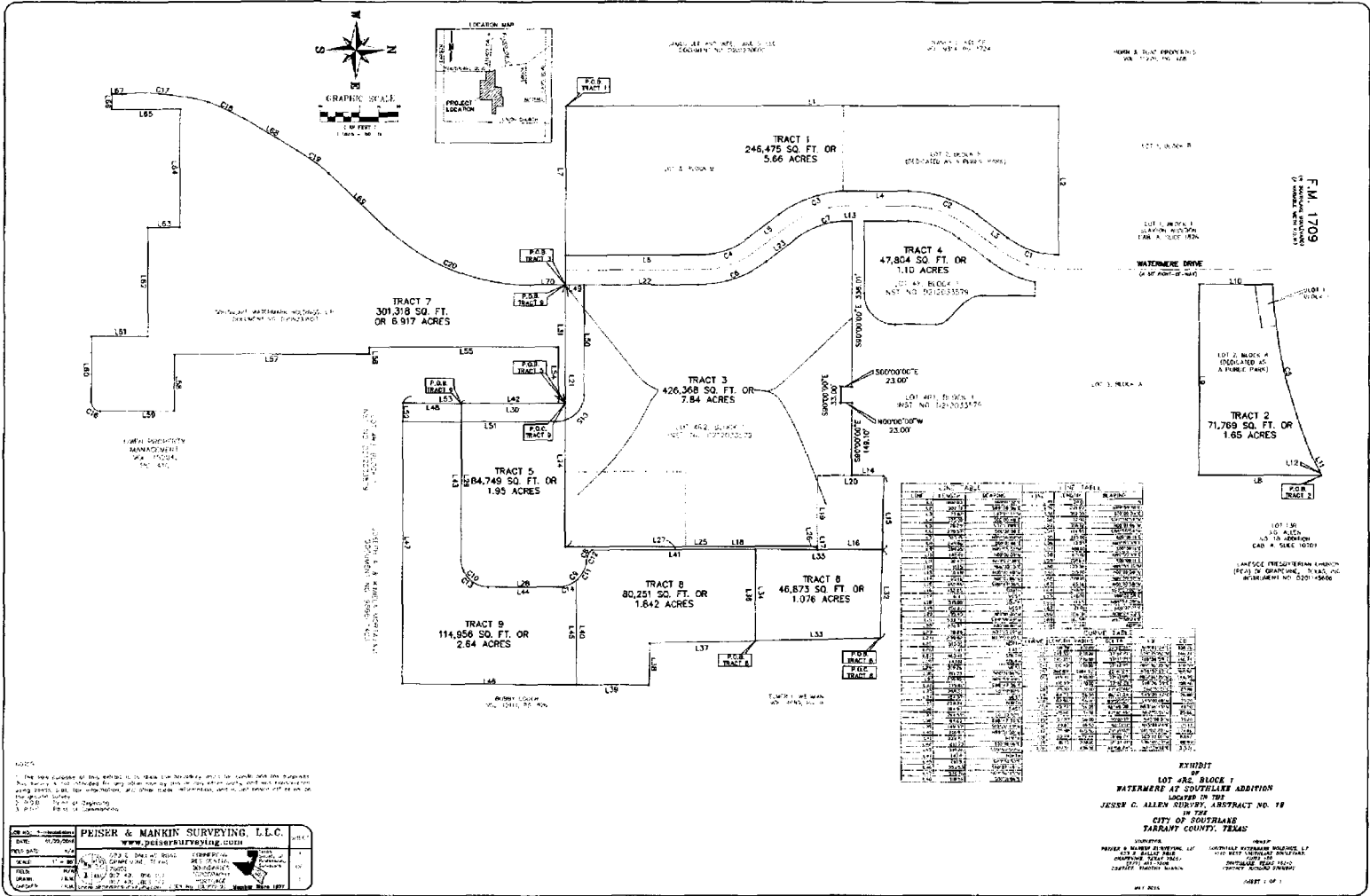


EXHIBIT
LOT 40C, BLOCK 1
WATERMARK AT SOUTHLAKE ADDITION
LOCATED IN THE
JESSE C. ALLEN SURVEY, ABSTRACT NO. 18
OF THE
CITY OF SOUTHLAKE
TARRANT COUNTY, TEXAS

PEISER & MANKIN SURVEYING, L.P.
2205 S. SHAW ST. SUITE 100
DALLAS, TEXAS 75201
TEL: 972-251-1111
WWW.PEISERANDMANKIN.COM

PEISER & MANKIN SURVEYING, L.L.C.
www.peiserandmankin.com

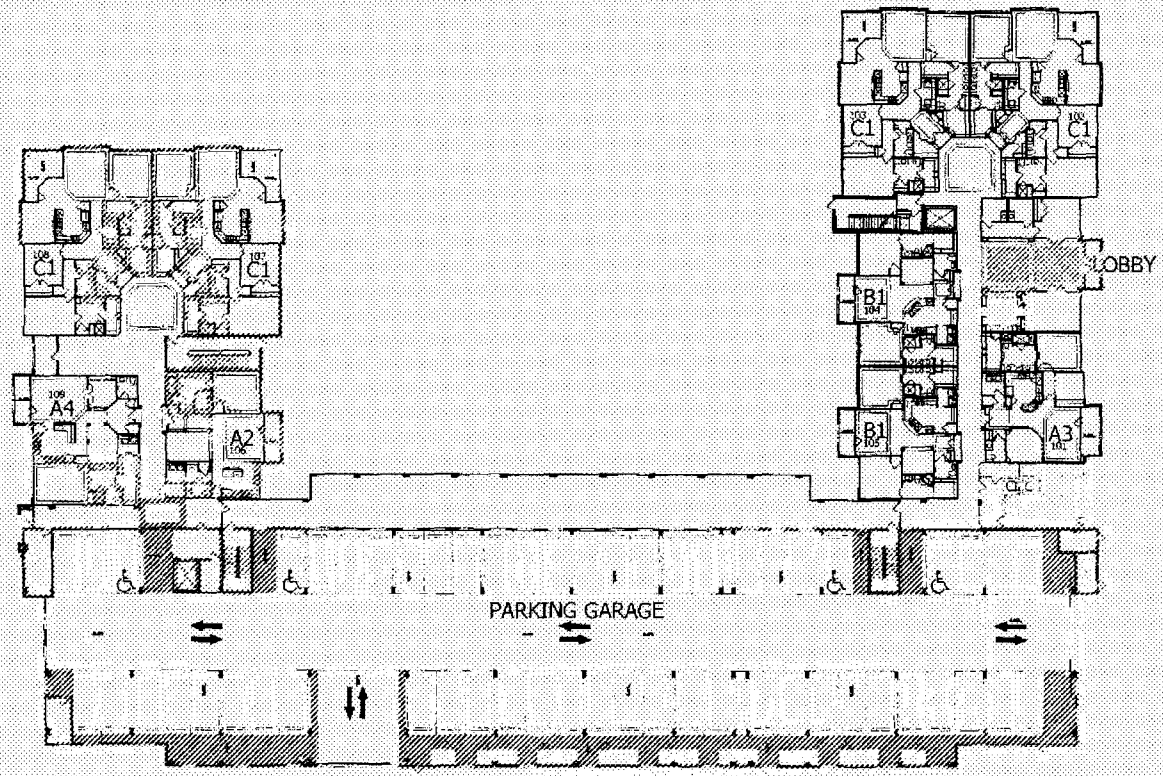
DATE: 01/29/2014
BY: [Signature]
CHECKED BY: [Signature]
SCALE: AS SHOWN
TAXES: PAID
REMARKS: [Text]

Exhibit A-3

Unit Plans

(Based on Original Declarations Exhibit A-3, and the following supplements including corrections and amendments to said supplements; Second Supplement, Third Supplement, Fourth Supplement, Fifth Supplement, Seventh Supplement, Eighth Supplement, Tenth Supplement, and the Eleventh Supplement)

CORRECTION: Building 11, Villa Units 337, 339, and 341 defined in the Fourth Supplement are hereby changed to Villa Units 381, 383, and 385 respectively. The Fifth Supplement, Exhibit D, reflects these changes, but the Building 11 unit plans were never amended in Exhibit A-3. The Fifth Supplement assigns Villa Units 339 and 341 to Building 13 villas.



I, JOHN MARC TOLSON, a licensed architect/engineer, do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act.

© FIRST LEVEL - SOUTH WING - ADDRESS NUMBERS 1-301
SCALE: 1/8" = 1'-0"

301 WATERMERE DRIVE

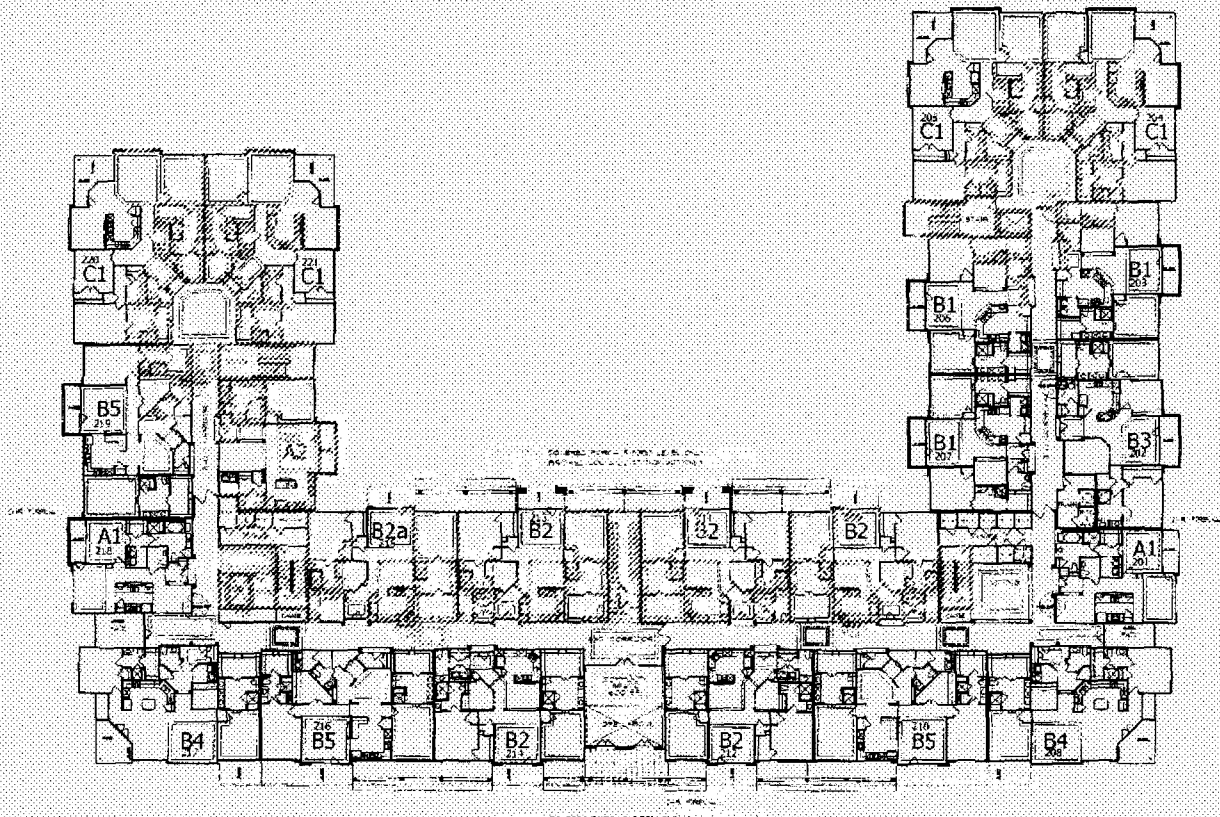


Watermere at Southlake
SOUTHLAKE, TEXAS

Bellar Telson French
Architects

2742 BARKER ROAD, SUITE 100, SOUTH WING, FORT WORTH, TEXAS 76104
TEL: 817.734.1100 FAX: 817.734.1101

DATE	PROJECT



I, JOHN MARC TOLSON, a licensed architect/engineer, do hereby certify that this plan is accurate and complies with the provisions of Section 62.059 of the Texas Uniform Condominium Act.

(2) SECOND LEVEL - SOUTH TOWER - ADDRESS NUMBERS 1307
SCALE: 1/8" = 1'-0"

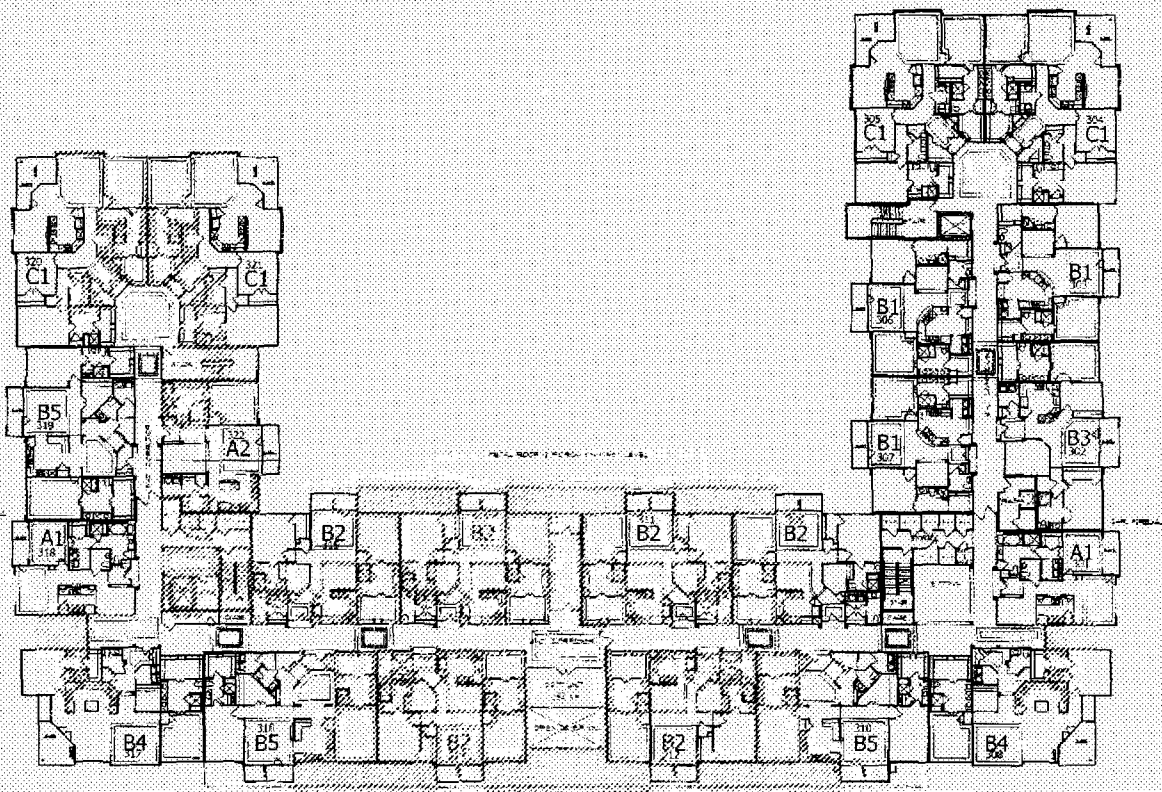
301 WATERMERE DRIVE



Watermere at Southlake
SOUTH LAKE, TEXAS

OWNER: Watermere at Southlake, LLC
ARCHITECT/ENGINEER: John Marc Tolson, AIA, LEED AP
DATE: 04-20-02

NO.	REVISION	DATE



JOHN MARC TOLSON, a licensed architect/engineer, do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act.

② THIRD LEVEL, SOUTH TOWER, ADDRESS NUMBERS (301)
SCALE: 3/8" = 1'-0"

301 WATERMERE DRIVE

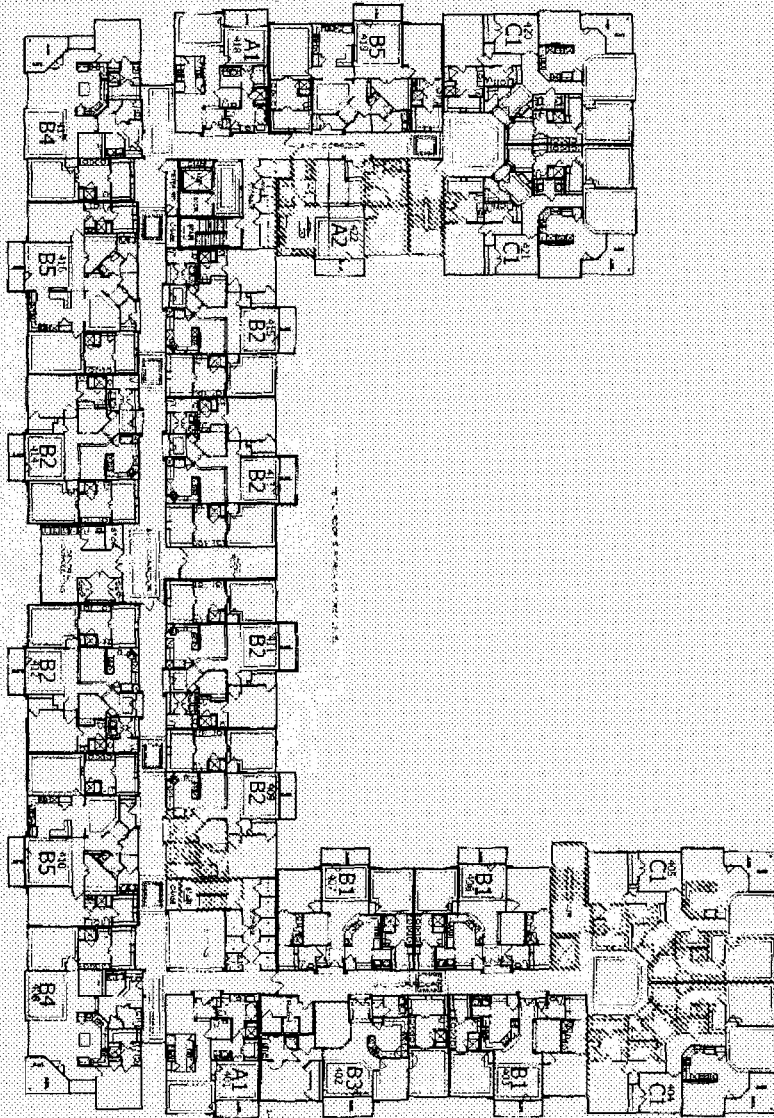


Watermere at Southlake
SOUTH LAKE, TEXAS

John Marc Tolson
Architect/Engineer
No. 12345
1234 Main Street
Dallas, Texas 75201
Tel: 214-555-1234
Fax: 214-555-5678

NO.	DATE	REVISION

I, JOHN MARC TOLSON, a licensed architect/engineer do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act.



301 WATERMERE DRIVE
 SOUTH LAKE, TEXAS 75085
 SCALE: 1/8" = 1'-0"

301 WATERMERE DRIVE

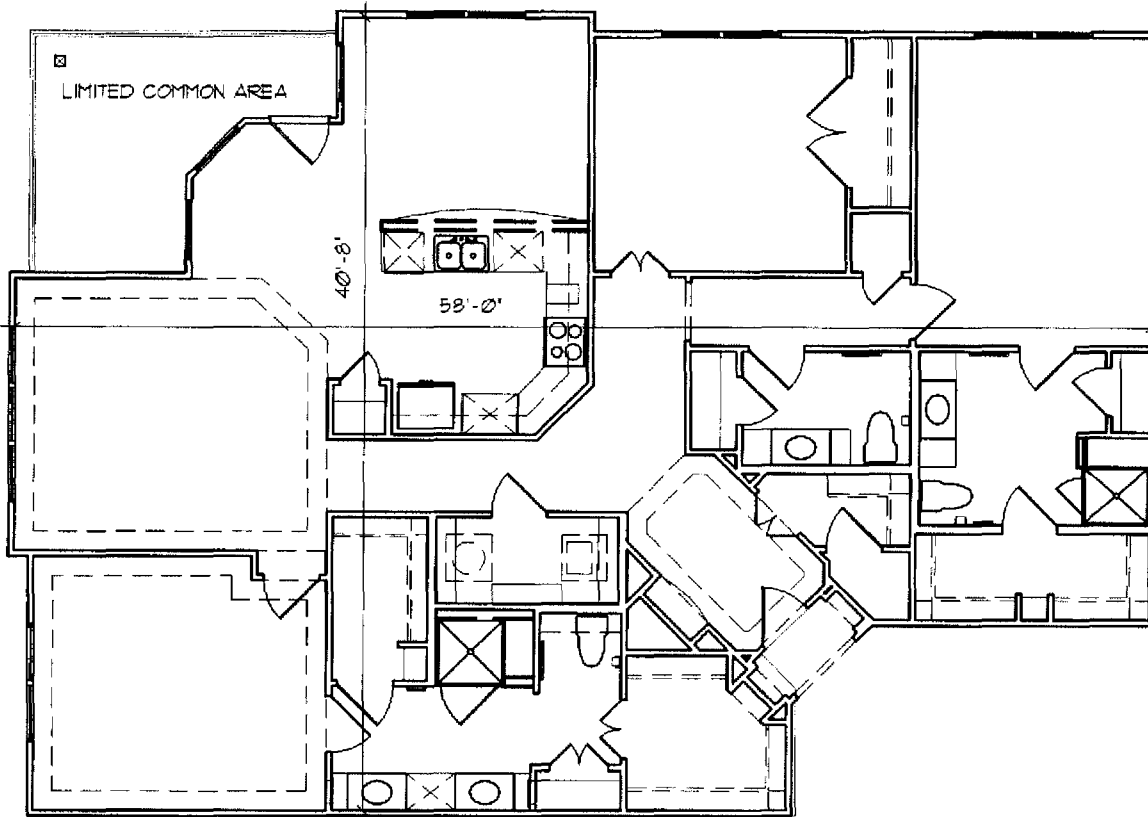


DATE	10/10/00
BY	J.M. Tolson
CHECKED	
DATE	
BY	
CHECKED	
DATE	
BY	
CHECKED	
DATE	

Galler Tolson-French
 ARCHITECTS
 10012
 10012
 10012
 10012

Watermere at Southlake
 SOUTHLAKE, TEXAS

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor.



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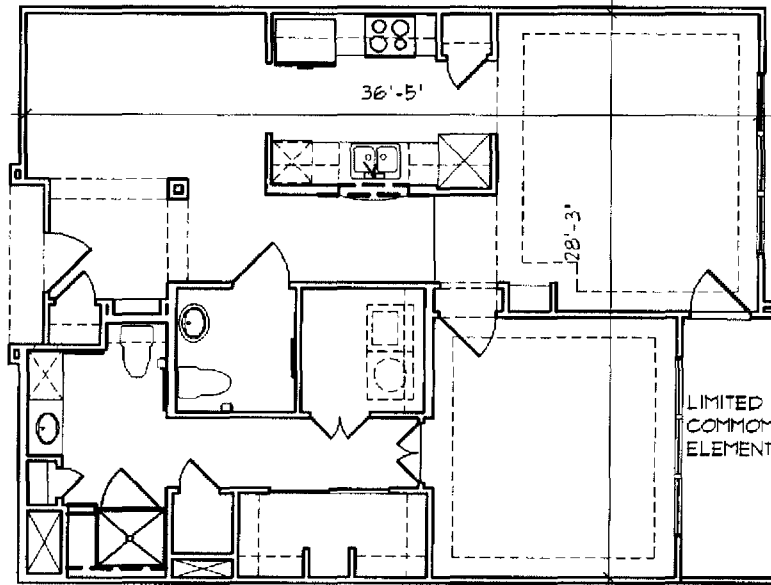


WATERMERE @ SOUTHLAKE
CONDOMINIUM UNITS
SOUTHLAKE, TEXAS

GUADALUPE
#102, 103, 107, 108, 204
#205, 220, 221, 304, 305
#320, 321, 404, 405, 420
#421
TOTAL SQ. FT. 2,022

DRAWN TO SCALE
1/8" = 1'

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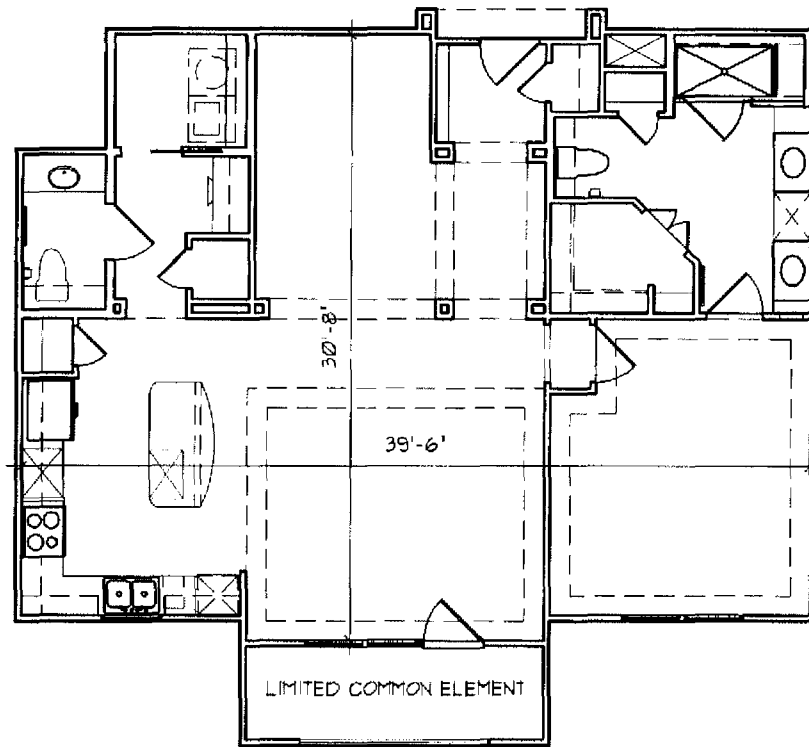


WATERMERE @ SOUTHLAKE
 CONDOMINIUM UNITS
 SOUTHLAKE, TEXAS

BLANCO
 #201, 301, 401
 #218, 318, 418
 TOTAL SQ. FT. 1,005

DRAWN TO SCALE
 1/8" = 1'

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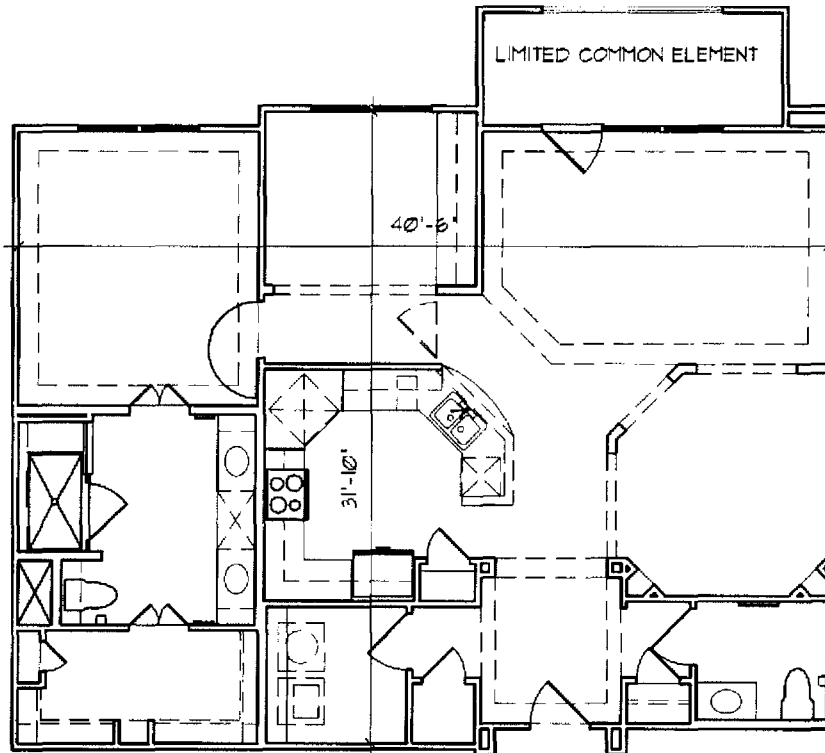


WATERMERE @ SOUTHLAKE
 CONDOMINIUM UNITS
 SOUTHLAKE, TEXAS

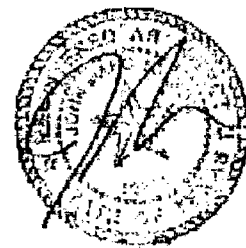
LLANO
 #106, 222, 322
 #422
 TOTAL SQ. FT. 1,200

DRAWN TO SCALE
 1/8" = 1'

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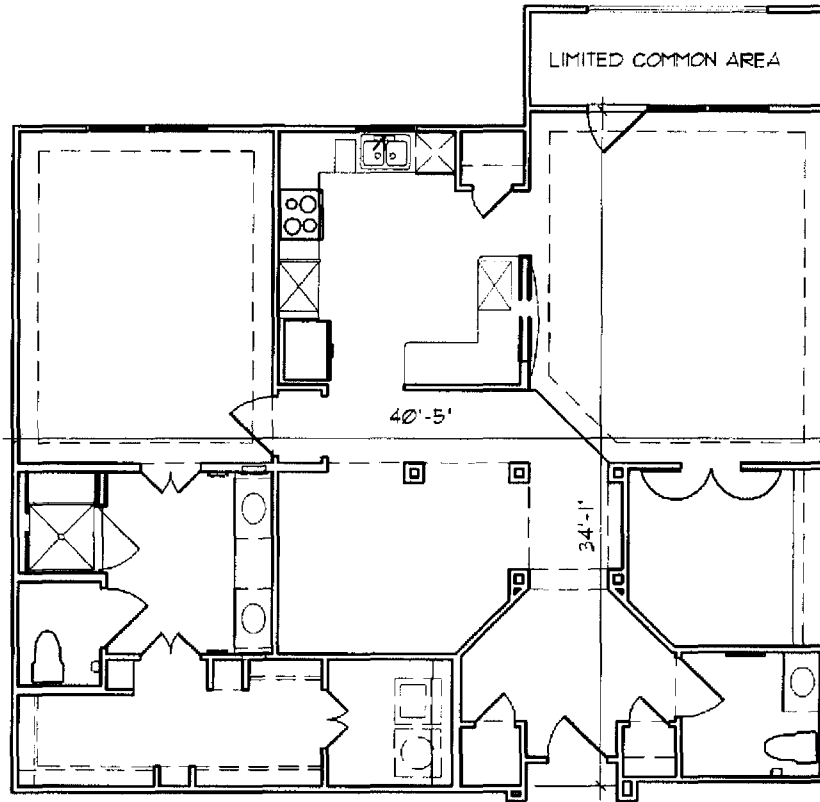


WATERMERE @ SOUTHLAKE
CONDOMINIUM UNITS
SOUTHLAKE, TEXAS

PECOS #101
TOTAL SQ. FT. 1,272

DRAWN TO SCALE
1/8" = 1'

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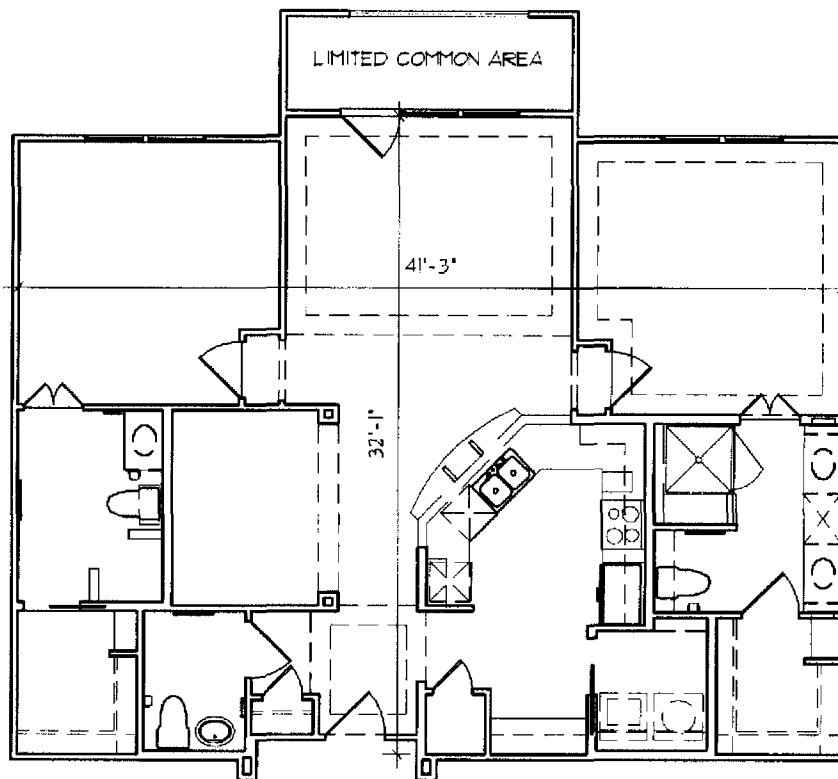


WATERMERE @ SOUTHLAKE
CONDOMINIUM UNITS
SOUTHLAKE, TEXAS

FRIO
#109
TOTAL SQ. FT. 1,391

DRAWN TO SCALE
1/8" = 1'

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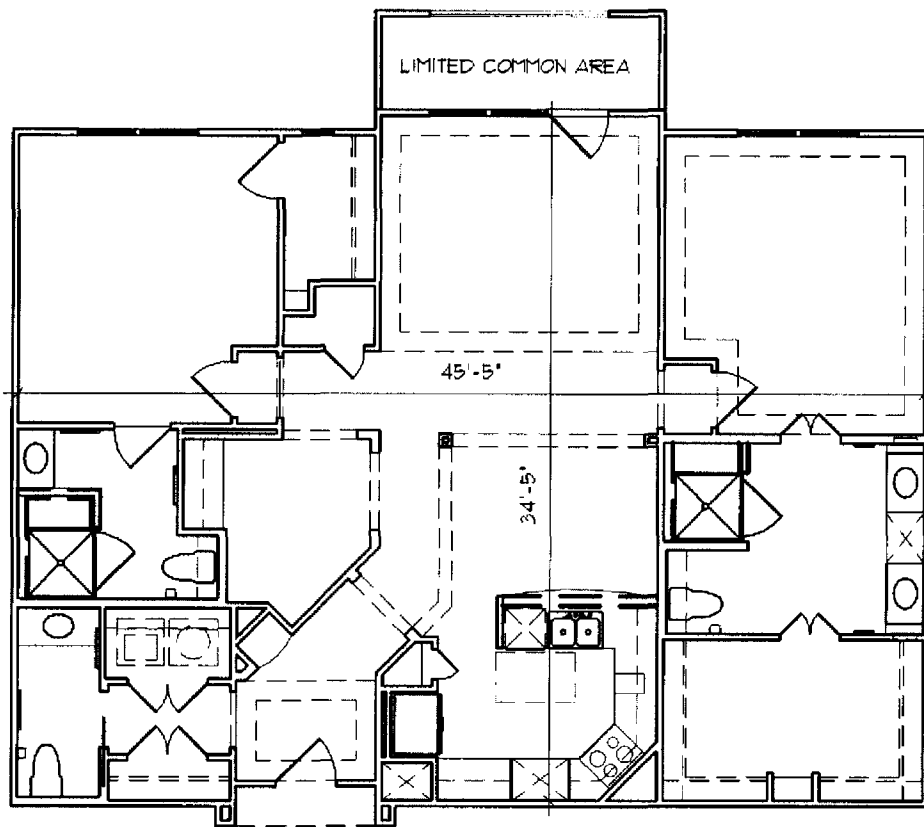


WATERMERE @ SOUTHLAKE
 CONDOMINIUM UNITS
 SOUTHLAKE, TEXAS

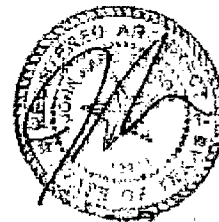
CIMARRON
 #104, 105, 203, 206, 207
 #303, 306, 307, 403, 406
 #407
 TOTAL SQ. FT. 1,328

DRAWN TO SCALE
 1/8" = 1'

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I, John Marc Tolson, a licensed architect, do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act

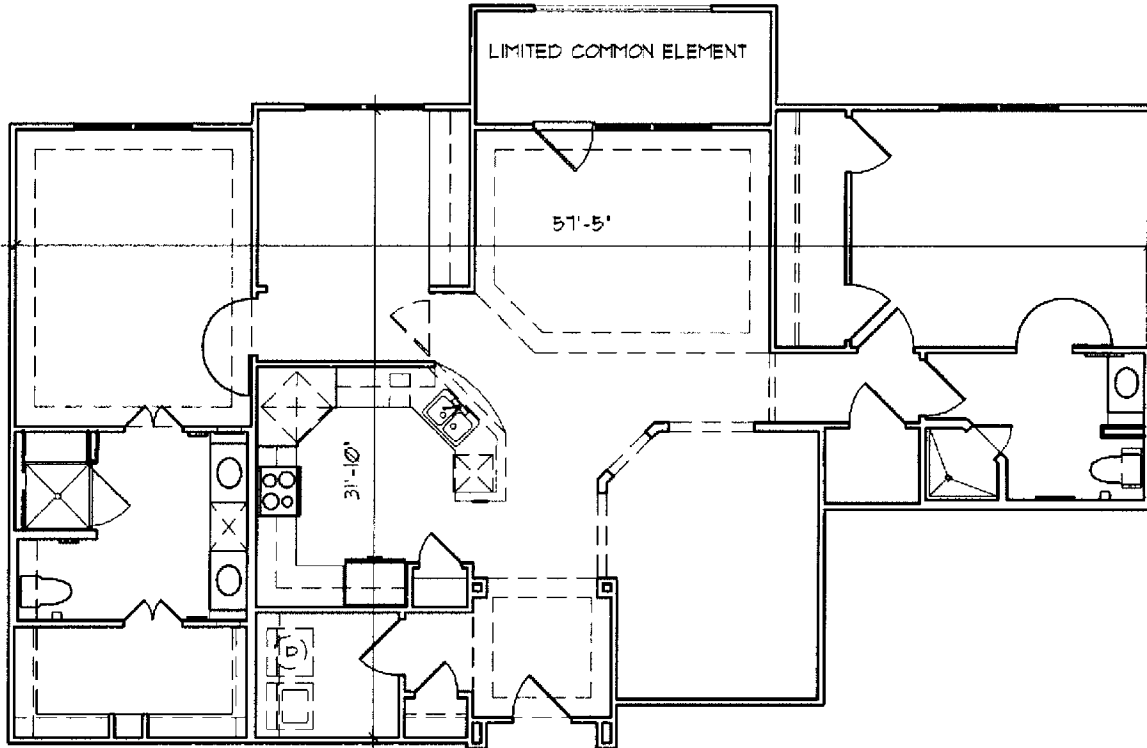


WATERMERE @ SOUTHLAKE
 CONDOMINIUM UNITS
 SOUTHLAKE, TEXAS

PEDERNALES
 #209, 211, 212, 213, 214
 #215, 309, 311, 312, 313
 #314, 315, 409, 411, 412
 #413, 414, 415
 TOTAL SQ. FT. 1,372

DRAWN TO SCALE
 1/8" = 1'

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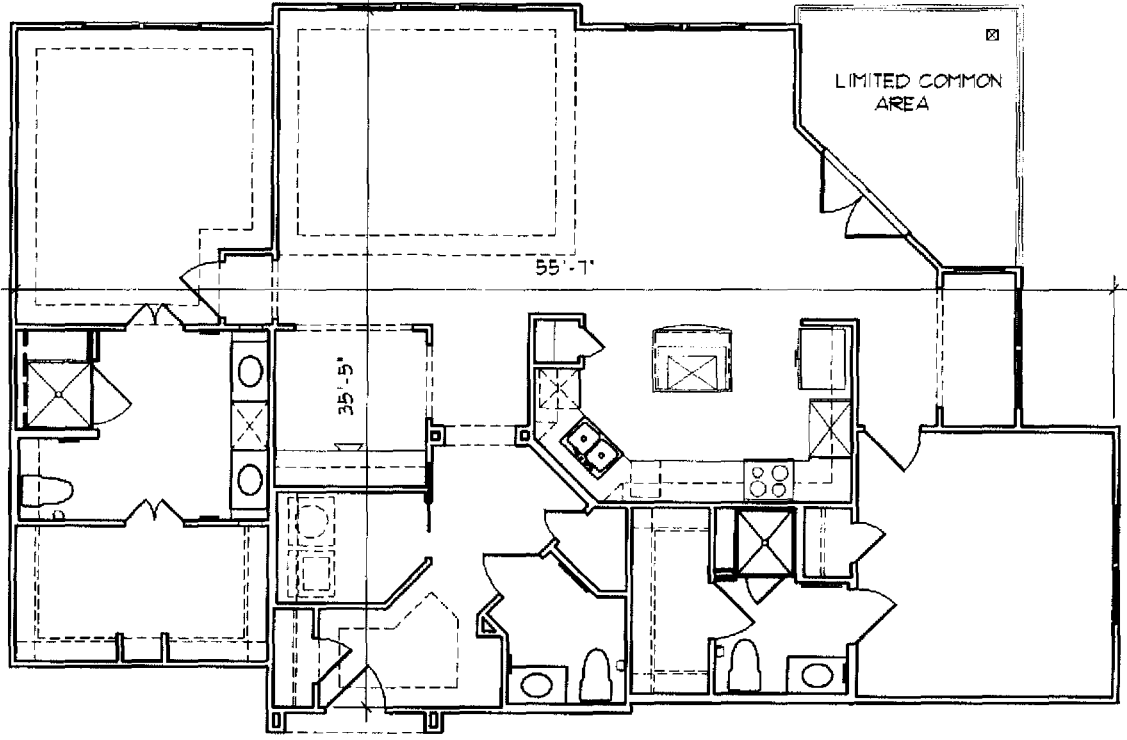


WATERMERE @ SOUTHLAKE
 CONDOMINIUM UNITS
 SOUTHLAKE, TEXAS

COMAL
 #202, 302, 402
 TOTAL SQ. FT. 1,612

DRAWN TO SCALE
 1/8" = 1'

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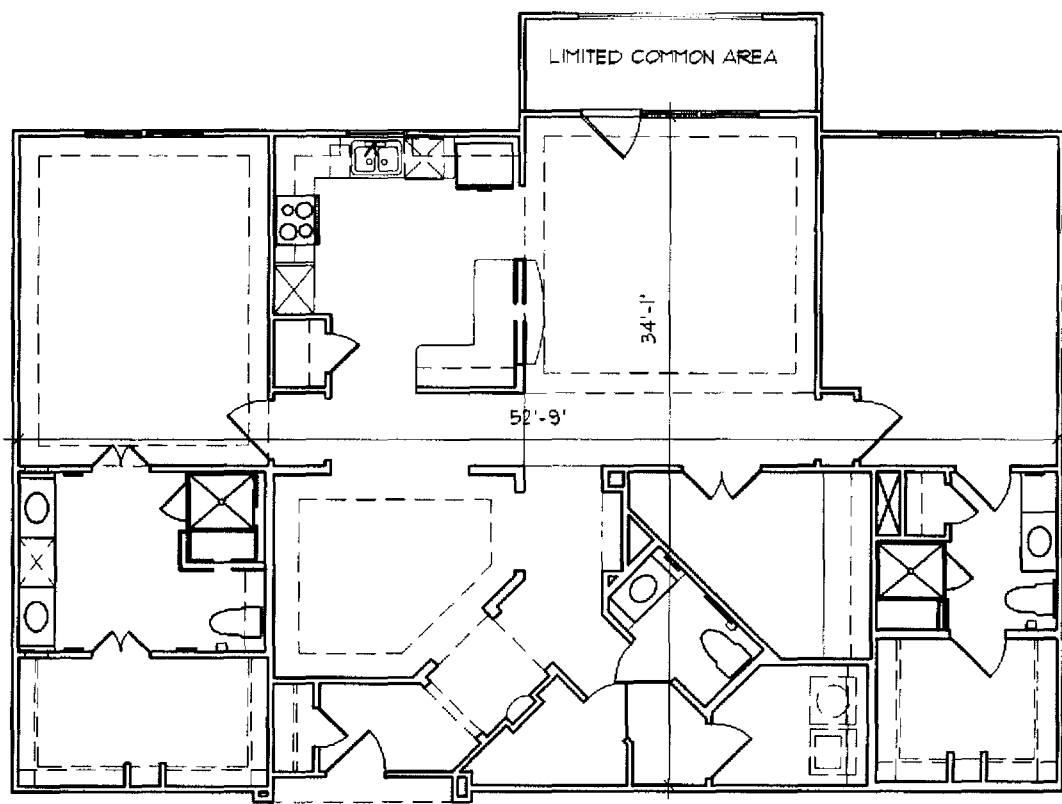


WATERMERE @ SOUTHLAKE
CONDOMINIUM UNITS
SOUTHLAKE, TEXAS

COLORADO
#208, 217, 308
#317, 408, 417
TOTAL SQ. FT. 1,637

DRAWN TO SCALE
1/8" = 1'

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor.

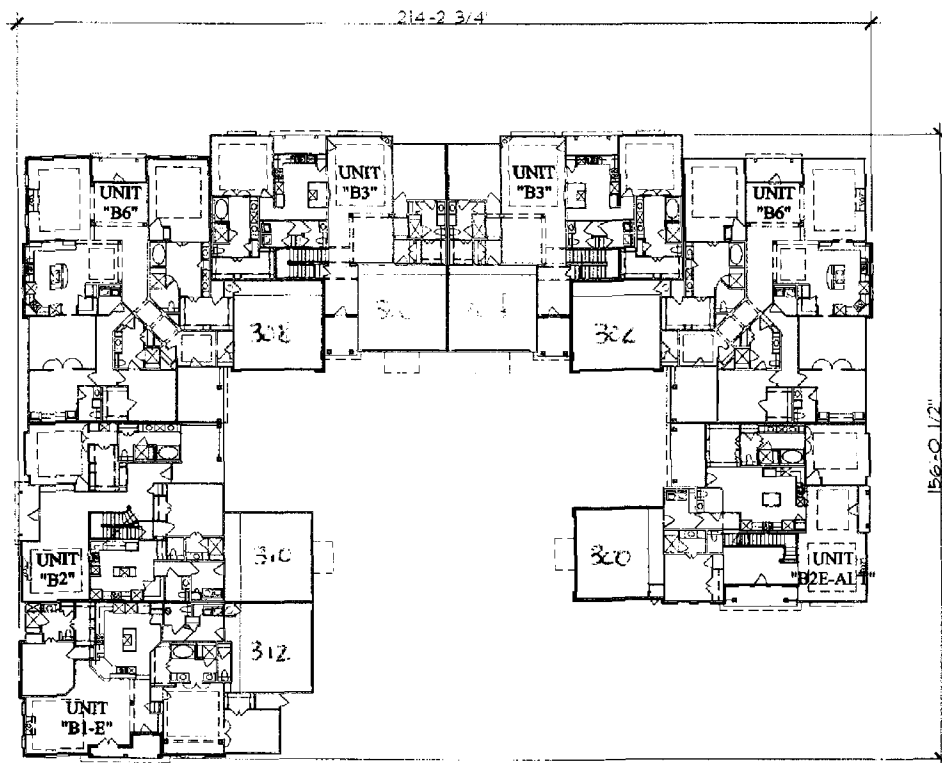


I, John Marc Tolson, a licensed architect, do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act



<p>WATERMERE @ SOUTHLAKE CONDOMINIUM UNITS SOUTHLAKE, TEXAS</p>	<p>BRAZOS #210, 216, 219 #310, 316, 319 #410, 416, 419 TOTAL SQ. FT. 1,805</p>	<p>DRAWN TO SCALE 1/8" = 1'</p>
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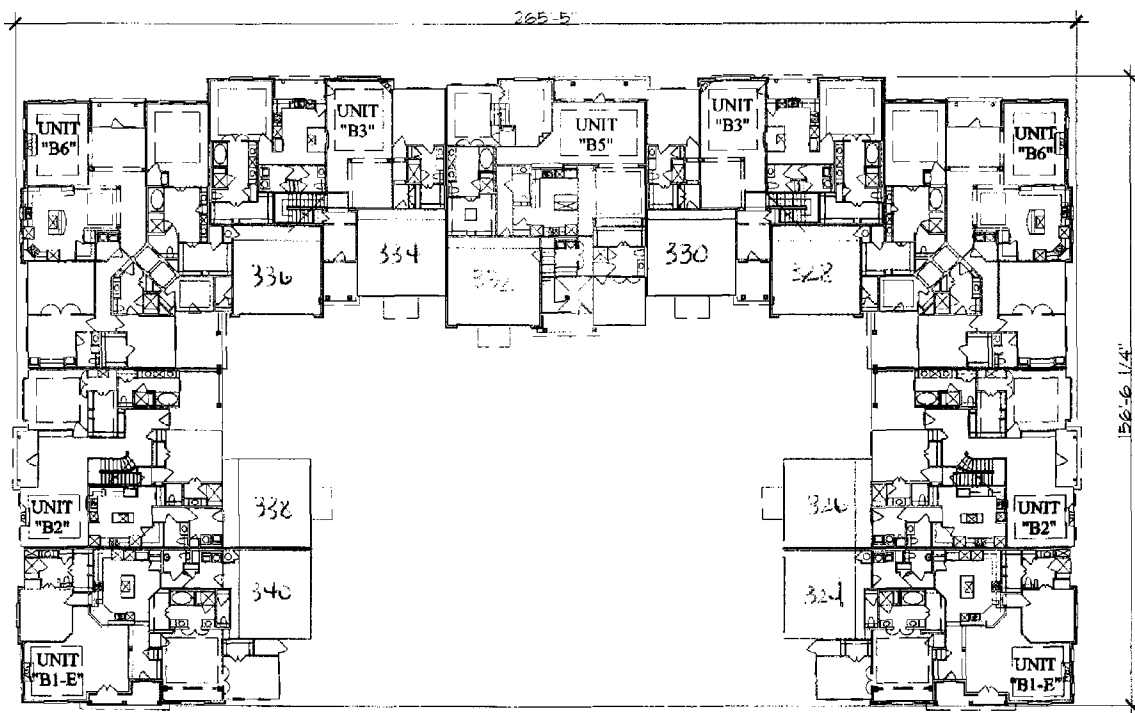
WATERMERE @ SOUTHLAKE

VILLA UNITS
SOUTHLAKE, TEXAS

BUILDING TYPE - 1

DRAWN TO SCALE
1" = 40'

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor.



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05/15/07

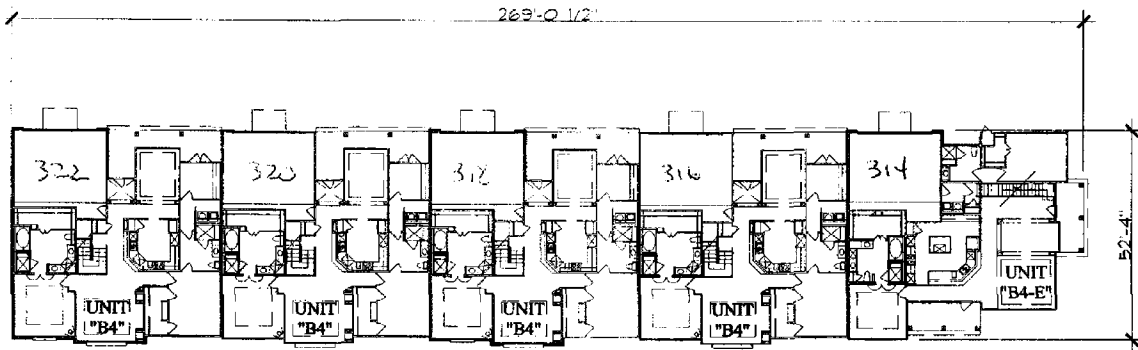
WATERMERE @ SOUTHLAKE

VILLA UNITS
SOUTHLAKE, TEXAS

BUILDING TYPE - 2

DRAWN TO SCALE
1" = 40'

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor.



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engineer, do hereby certify that this plan is
accurate and complies with the provisions of
Section 82.059 of the Texas Uniform Condominium
Act

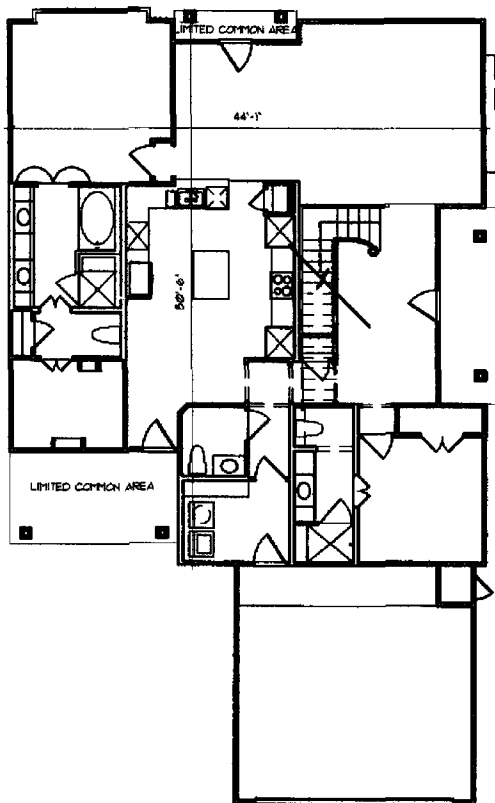


WATERMERE @ SOUTHLAKE
 VILLA UNITS
 SOUTHLAKE, TEXAS

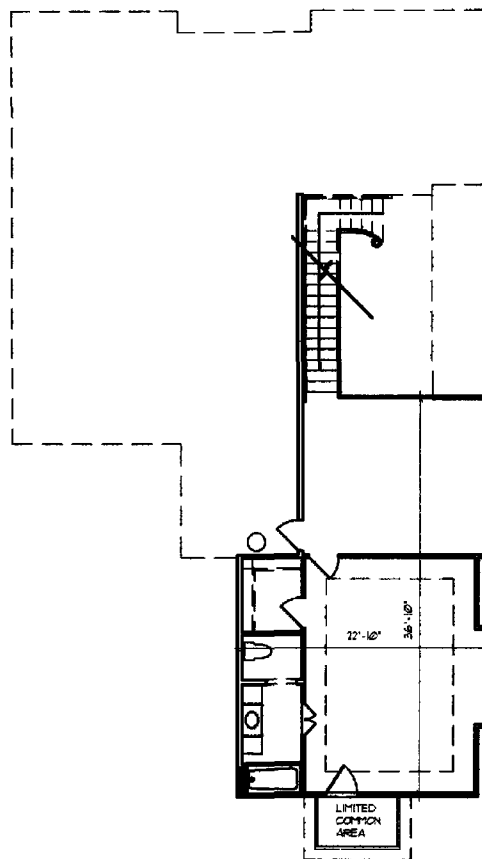
BUILDING TYPE - 3

DRAWN TO SCALE
 1" = 40'

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.

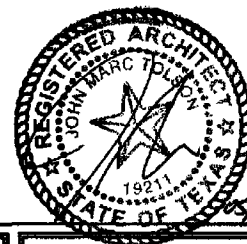


LOWER LEVEL



UPPER LEVEL

I, John Marc Tolson, a licensed architect/engineer, do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act



WATERMERE @ SOUTHLAKE

VILLA UNITS
SOUTHLAKE, TEXAS

BUCHANAN 2

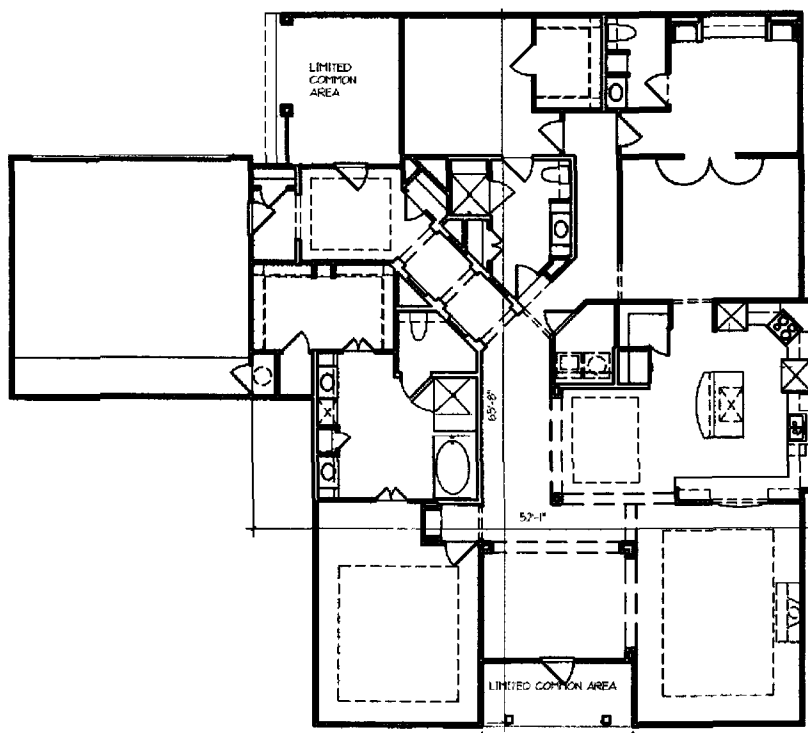
300

LOWER LEVEL SQ. FT. 2,009
UPPER LEVEL SQ. FT. 814
GARAGE SQ. FT. 503
TOTAL SQ. FT. 3,326

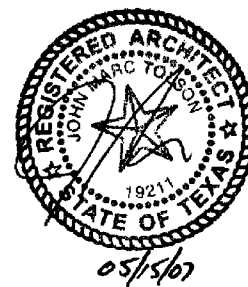
DRAWN TO SCALE

1" = 15'

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor.

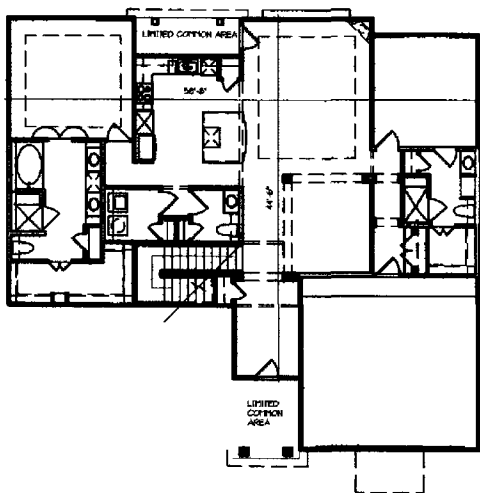


I, John Marc Tolson, a licensed architect/engineer, do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act

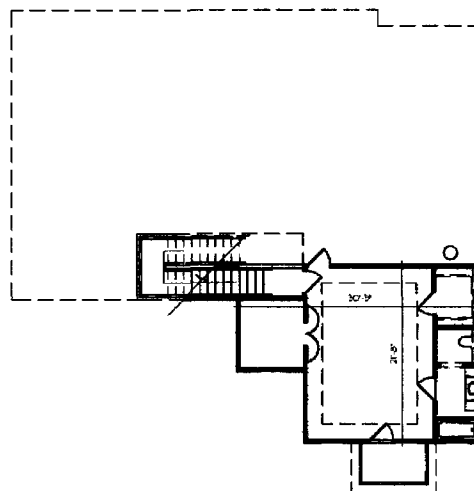


<p>WATERMERE @ SOUTHLAKE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>CADDO #302, 308, 328, 336 LOWER LEVEL SQ. FT. 2,952 GARAGE SQ. FT. 535 TOTAL SQ. FT. 3,487</p>	<p>DRAWN TO SCALE 1" = 15'</p>
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This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.

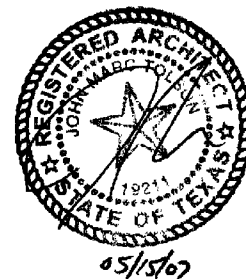


LOWER LEVEL



UPPER LEVEL

I, John Marc Tolson, a licensed architect/engineer, do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act

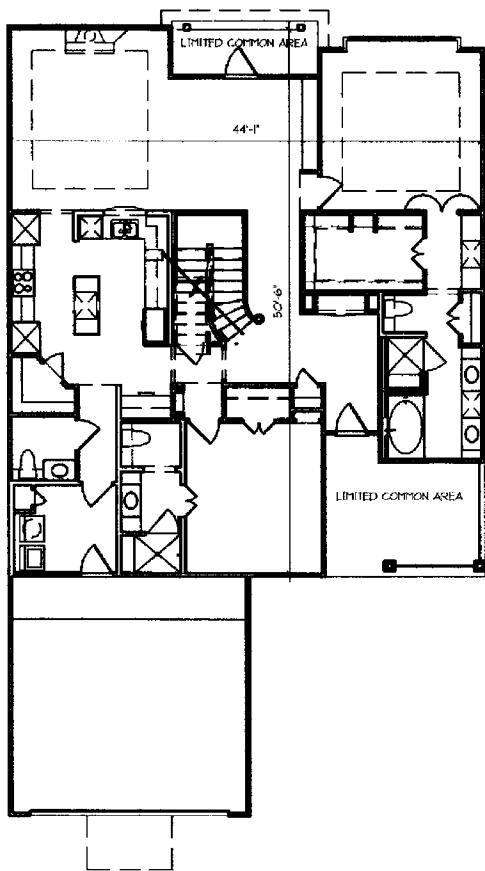


WATERMERE @ SOUTHLAKE
VILLA UNITS
SOUTHLAKE, TEXAS

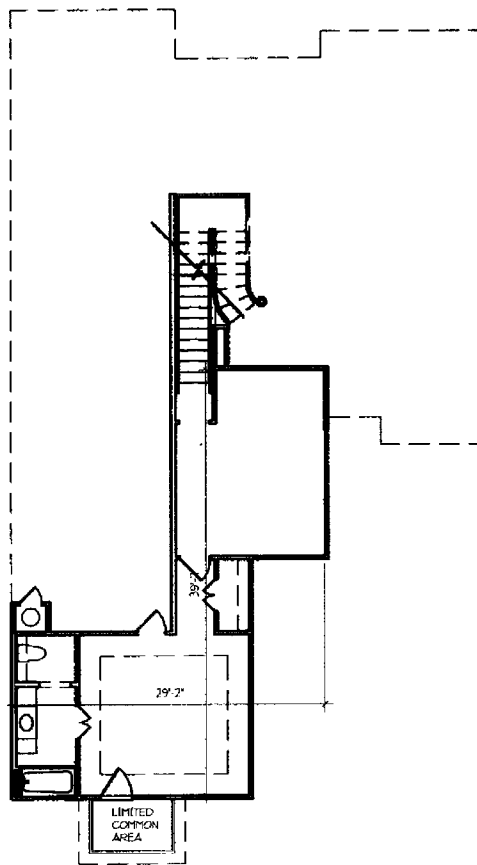
CISCO	
#304, 306, 334, 330	
LOWER LEVEL SQ. FT.	2,024
UPPER LEVEL SQ. FT.	556
GARAGE SQ. FT.	490
TOTAL SQ. FT.	3,070

DRAWN TO SCALE
1" = 20'

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.

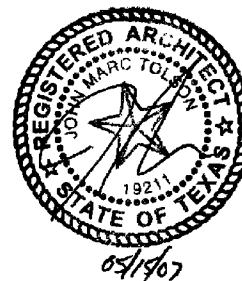


LOWER LEVEL



UPPER LEVEL

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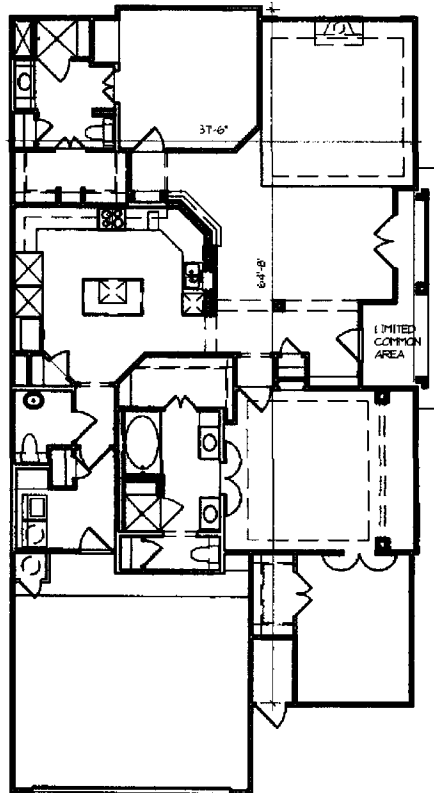


WATERMERE @ SOUTHLAKE
VILLA UNITS
SOUTHLAKE, TEXAS

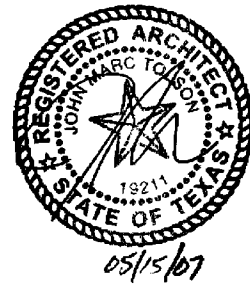
TRAVIS	
#310, 326, 338	
LOWER LEVEL SQ. FT.	2,016
UPPER SQ. FT.	669
GARAGE SQ. FT.	503
TOTAL SQ. FT.	3,188

DRAWN TO SCALE
1" = 15'

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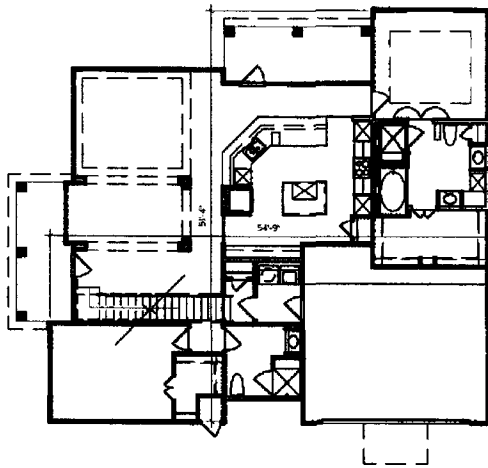


WATERMERE @ SOUTHLAKE
VILLA UNITS
SOUTHLAKE, TEXAS

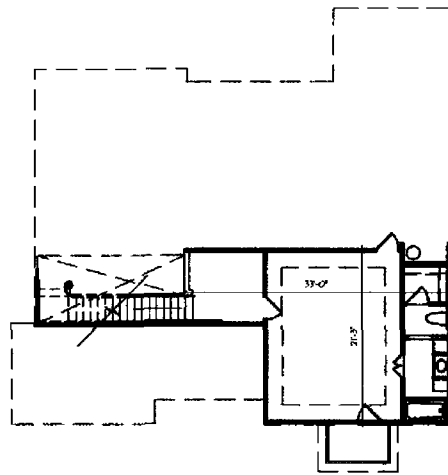
BONHAM
#312, 324, 340
LOWER LEVEL SQ. FT. 2,089
GARAGE SQ. FT. 484
TOTAL SQ. FT. 2,573

DRAWN TO SCALE
1" = 15'

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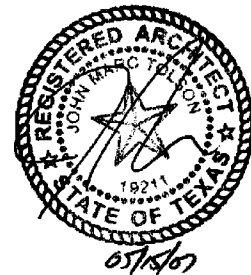


LOWER LEVEL



UPPER LEVEL

I, John Marc Tolson, a licensed architect/engineer, do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act



WATERMERE @ SOUTHLAKE

VILLA UNITS
SOUTHLAKE, TEXAS

SOMERVILLE

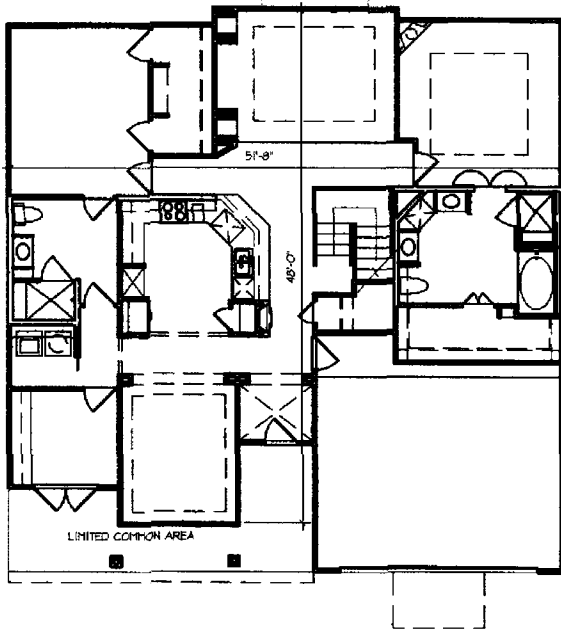
#314

LOWER LEVEL SQ. FT. 1,929
UPPER LEVEL SQ. FT. 613
GARAGE SQ. FT. 492
TOTAL SQ. FT. 3,034

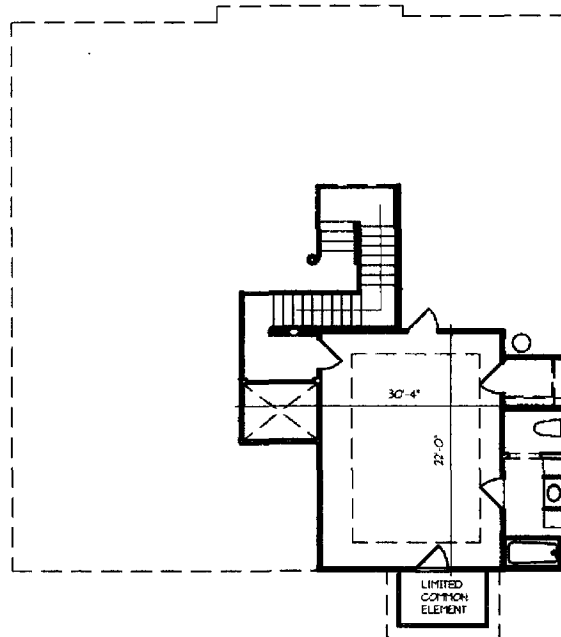
DRAWN TO SCALE

1" = 20'

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.

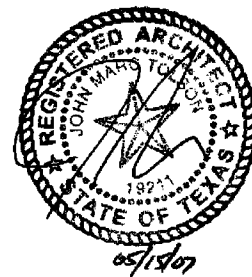


LOWER LEVEL



UPPER LEVEL

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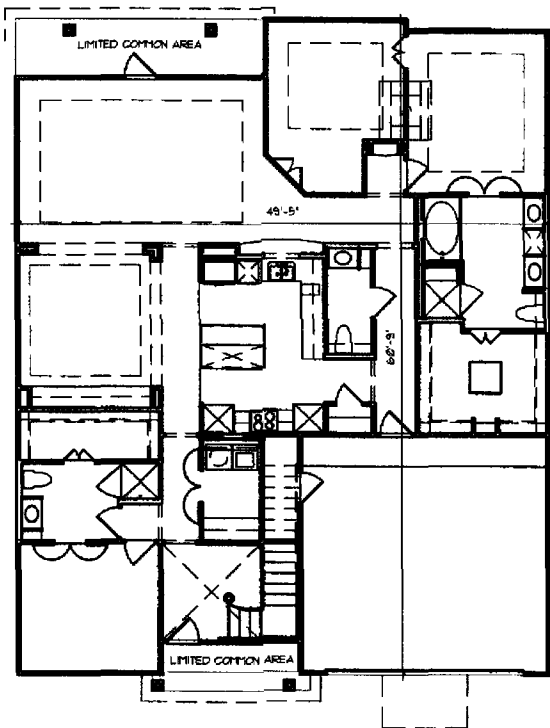


WATERMERE @ SOUTHLAKE
VILLA UNITS
SOUTHLAKE, TEXAS

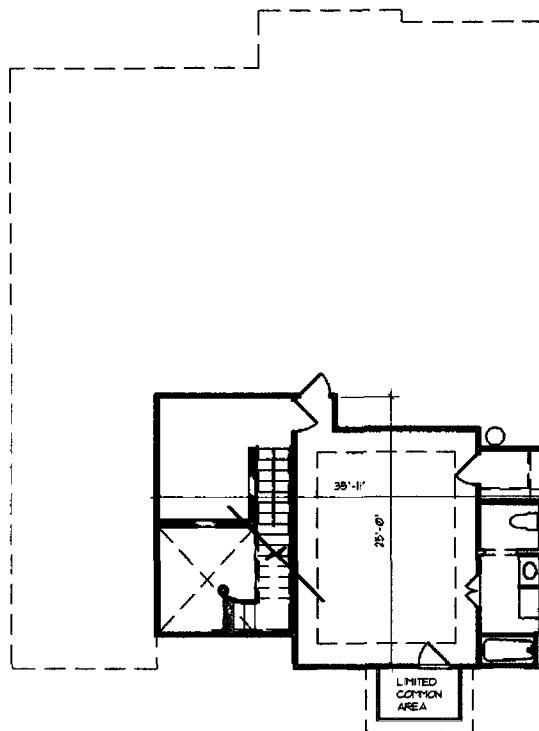
WHITNEY	
#316, 318, 320, 322	
LOWER LEVEL SQ. FT.	2,021
UPPER LEVEL SQ. FT.	584
GARAGE SQ. FT.	488
TOTAL SQ. FT.	3,093

DRAWN TO SCALE
1" = 15'

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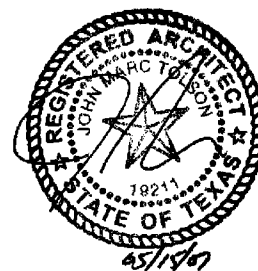


LOWER LEVEL



UPPER LEVEL

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WATERMERE @ SOUTHLAKE

VILLA UNITS
SOUTHLAKE, TEXAS

TEXOMA

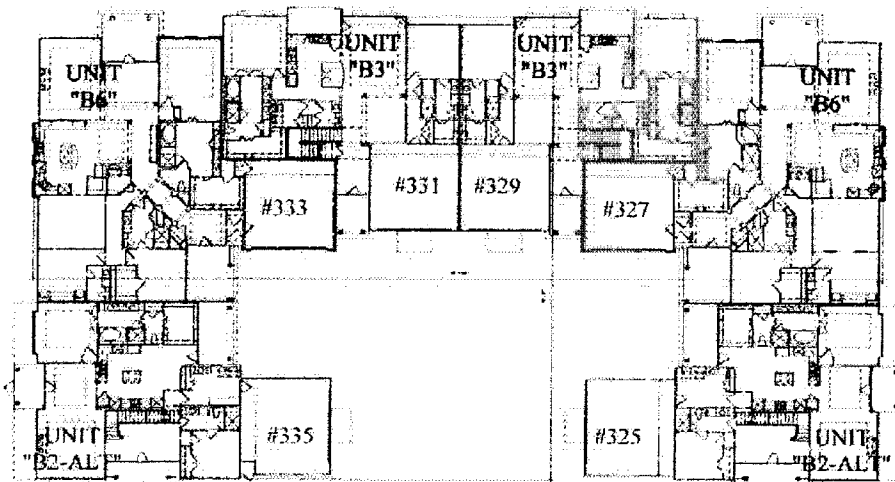
#332

LOWER LEVEL SQ. FT. 2,338
UPPER LEVEL SQ. FT. 678
GARAGE SQ. FT. 570
TOTAL SQ. FT. 3,586

DRAWN TO SCALE

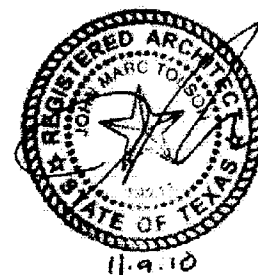
1" = 15'

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LOWER LEVEL

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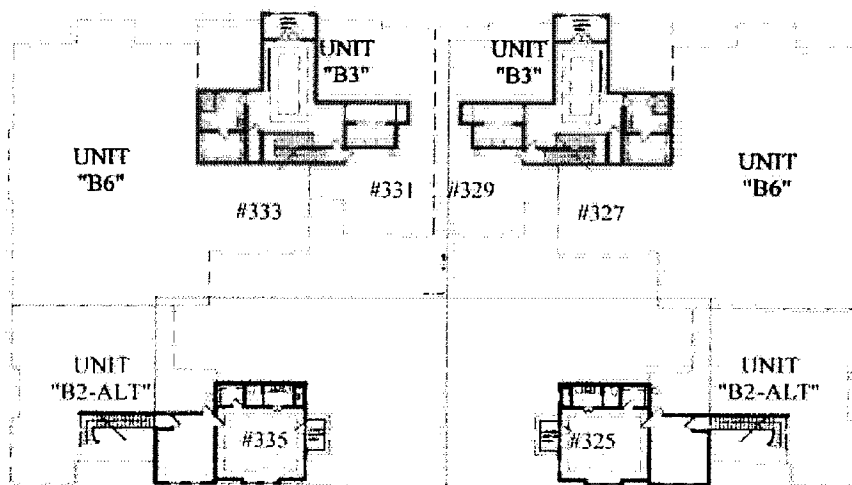


WATERMERE @ SOUTHLAKE
EAST VILLAGE VILLA UNITS
SOUTHLAKE, TEXAS

BLDG #10

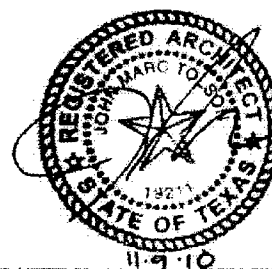
DRAWN TO SCALE
1" = 40'

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.



UPPER LEVEL

I, John Marc Tolson, a licensed architect/engineer, do hereby certify that this plan is accurate and complies with the provisions of Section 22.059 of the Texas Uniform Condominium Act.

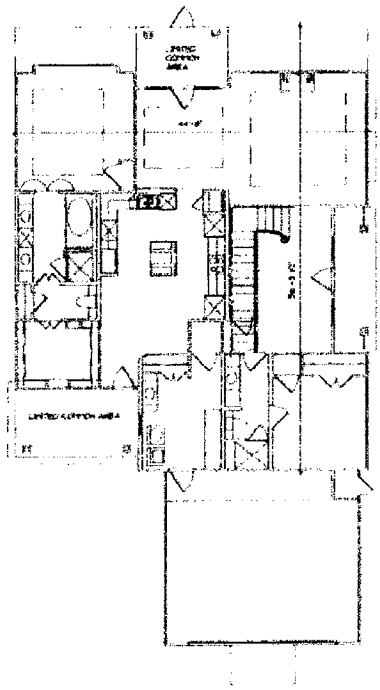


WATERMERE @ SOUTHLAKE
 EAST VILLAGE VILLA UNITS
 SOUTHLAKE, TEXAS

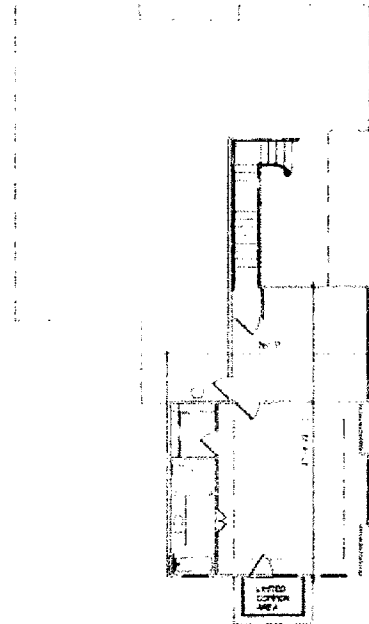
BLDG #10

DRAWN TO SCALE
 1" = 40'

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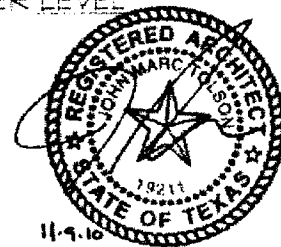


LOWER LEVEL



UPPER LEVEL

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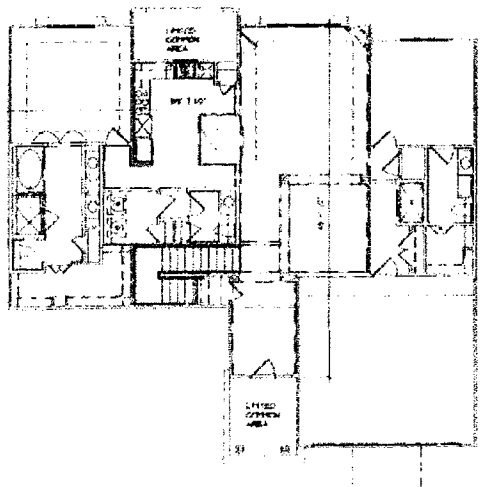


WATERMERE @ SOUTHLAKE
EAST VILLAGE VILLA UNITS
SOUTHLAKE, TEXAS

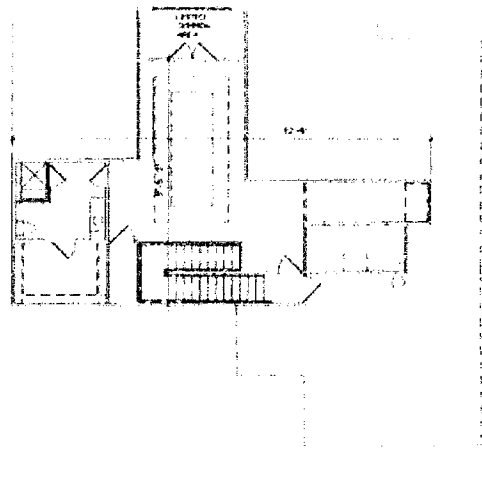
UNIT B2	
#325, #335	
LOWER LEVEL SQ. FT.	2,022
UPPER SQ. FT.	830
GARAGE SQ. FT.	550
TOTAL SQ. FT.	3,402

DRAWN TO SCALE
1" = 20'

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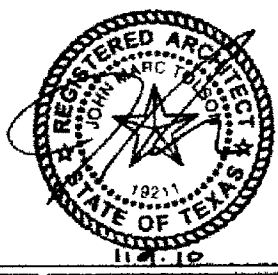


LOWER LEVEL



UPPER LEVEL

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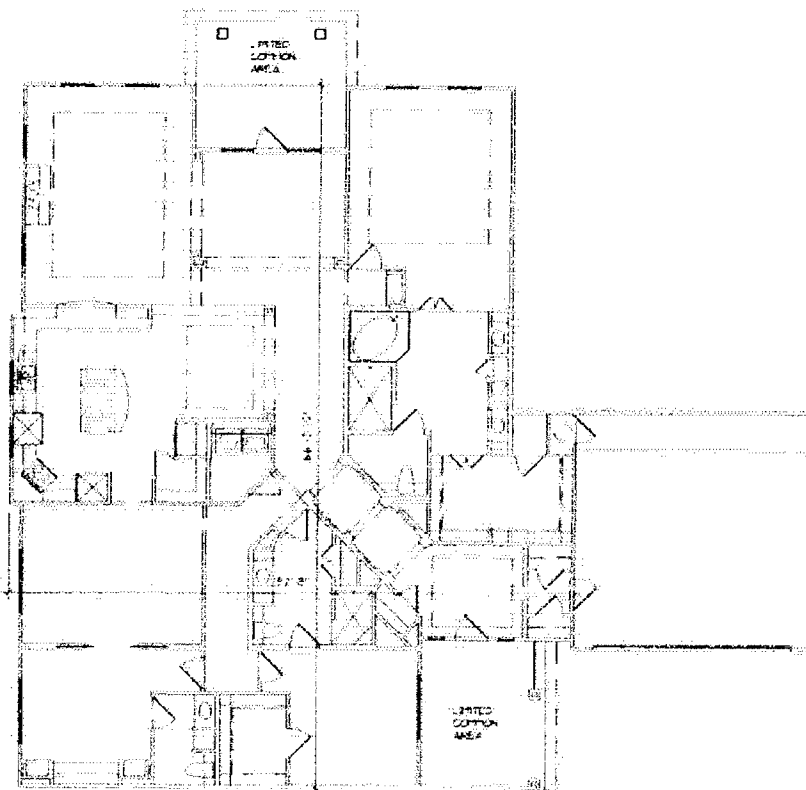


WATERMERE @ SOUTHLAKE
 EAST VILLAGE VILLA UNITS
 SOUTHLAKE, TEXAS

UNIT B3	
#329, #331	
LOWER LEVEL SQ. FT.	2,045
UPPER SQ. FT.	900
GARAGE SQ. FT.	497
TOTAL SQ. FT.	3,442

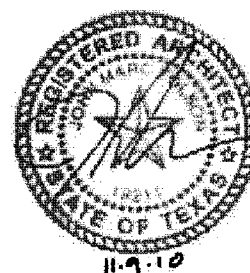
DRAWN TO SCALE
 1" = 20'

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.



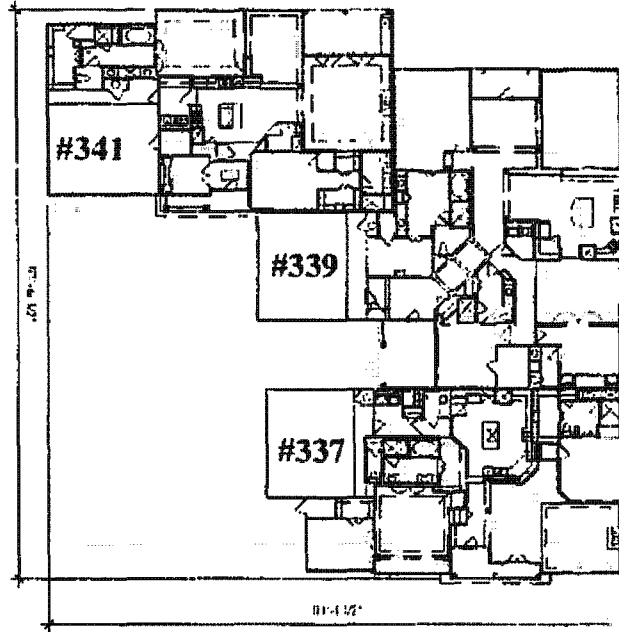
LOWER LEVEL

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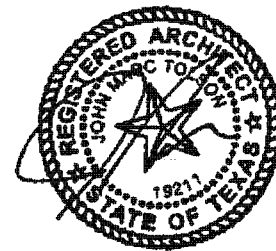
<p>WATERMERE @ SOUTHLAKE EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>UNIT B6 #327, #333</p> <p>LOWER LEVEL SQ. FT. 2,976 UPPER SQ. FT. 0 GARAGE SQ. FT. 510 TOTAL SQ. FT. 3,486</p>	<p>DRAWN TO SCALE</p> <p>1" = 15'</p>
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LOWER LEVEL

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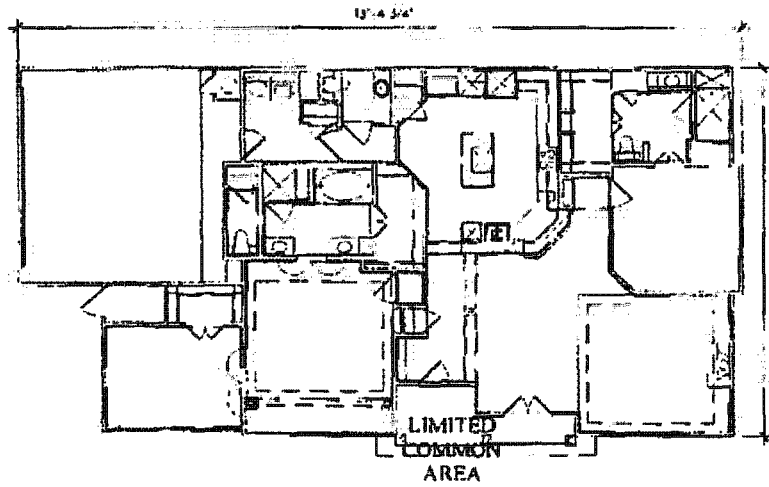


08-05-11

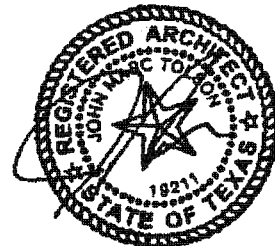
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>BUILDING # 11</p>	<p>DRAWN TO SCALE: $\frac{1}{32}'' = 1'-0''$</p>
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Correction: Building 11, Villa Units 337, 339, and 341 defined in the Fourth Supplement are hereby changed to Villa Units 381, 383, and 385 respectively.

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.



LOWER LEVEL



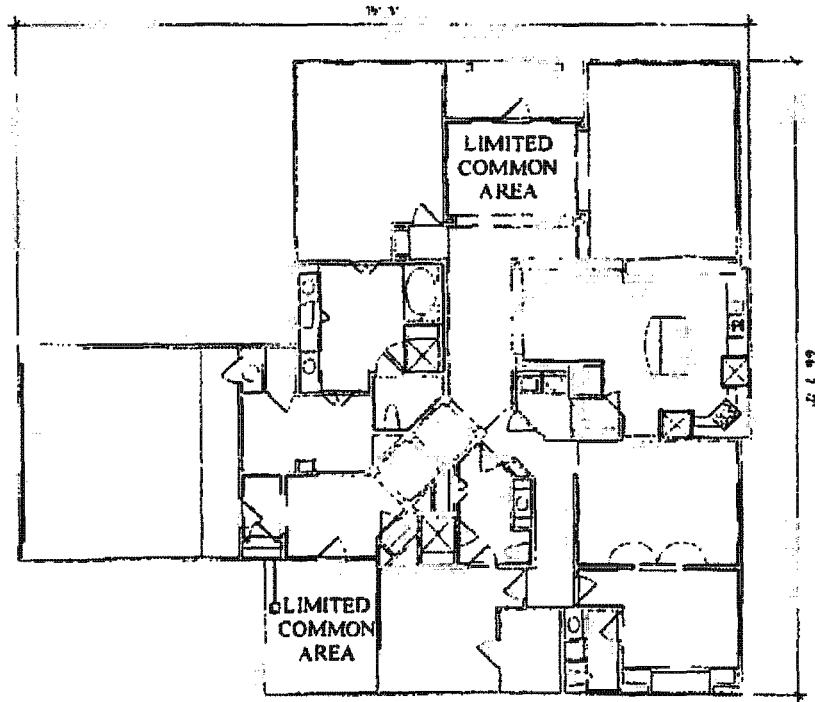
08-05-11

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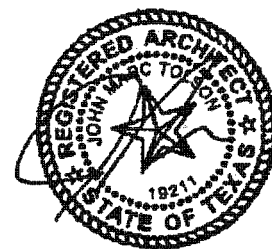
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>UNIT B1-E #337</p> <p>LOWER LEVEL SQ. FT. = 2,089 UPPER LEVEL = 0 GARAGE = 493 TOTAL S.F. = 2,582</p>	<p>DRAWN TO SCALE: 1/16" = 1'-0"</p>
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Correction: Villa Unit 337 defined in the Fourth Supplement is hereby changed to Villa Unit 381.

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.



LOWER LEVEL



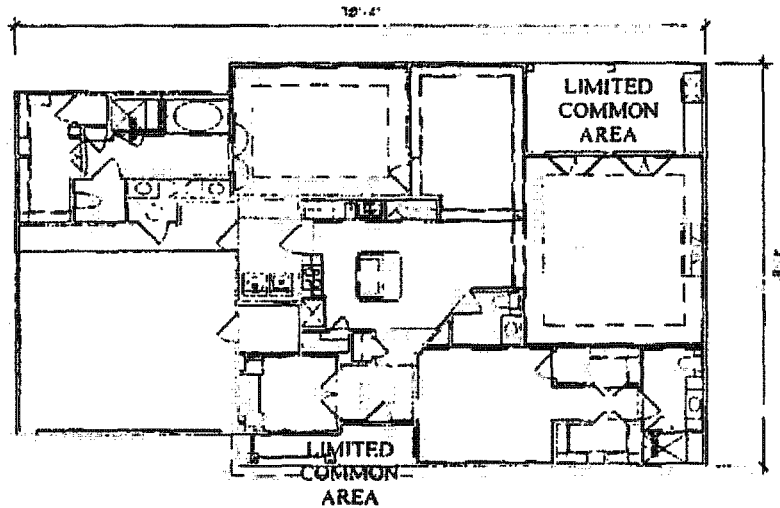
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08-05-11

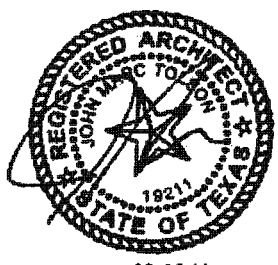
<p>WATERMERE @ SOUTHLAKE</p> <p>FAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>UNIT B6 #339</p> <p>LOWER LEVEL SQ. FT. = 2,965 UPPER LEVEL = 0 GARAGE = 510 TOTAL S.F. = 3,475</p>	<p>DRAWN TO SCALE: $\frac{1}{16}'' = 1'-0''$</p>
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Correction: Villa Unit 339 defined in the Fourth Supplement is hereby changed to Villa Units 383.

This floor plan and the dimensions and square footage calculations shown herein are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.



LOWER LEVEL



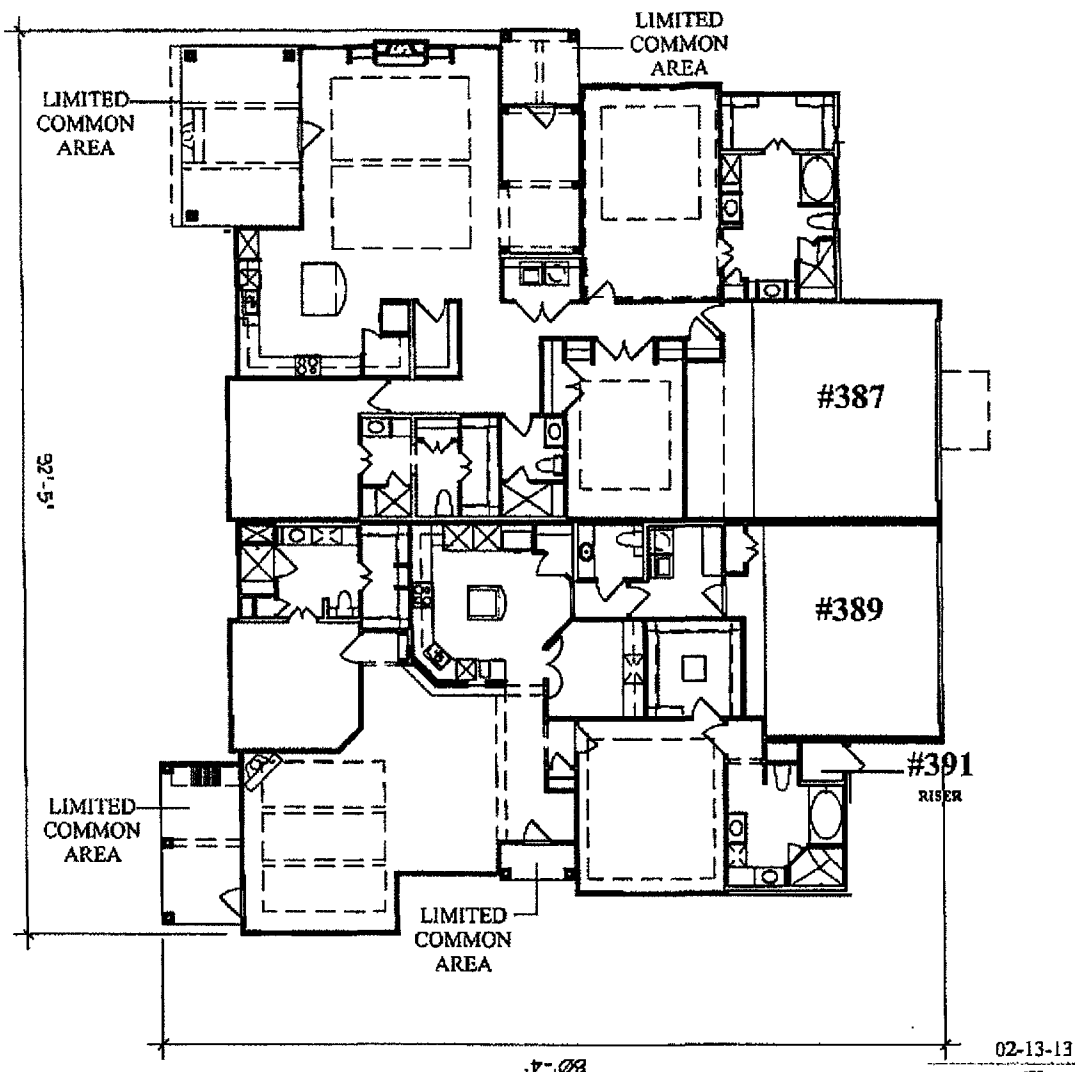
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08-05-11

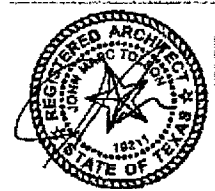
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>UNIT B7 #341</p> <p>LOWER LEVEL SQ. FT. = 2,062 UPPER LEVEL = 0 GARAGE = 497 TOTAL S.F. = 2,523</p>	<p>DRAWN TO SCALE: 1/16" = 1'-0"</p>
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Correction: Villa Unit 341 defined in the Fourth Supplement is hereby changed to Villa Unit 385.

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.



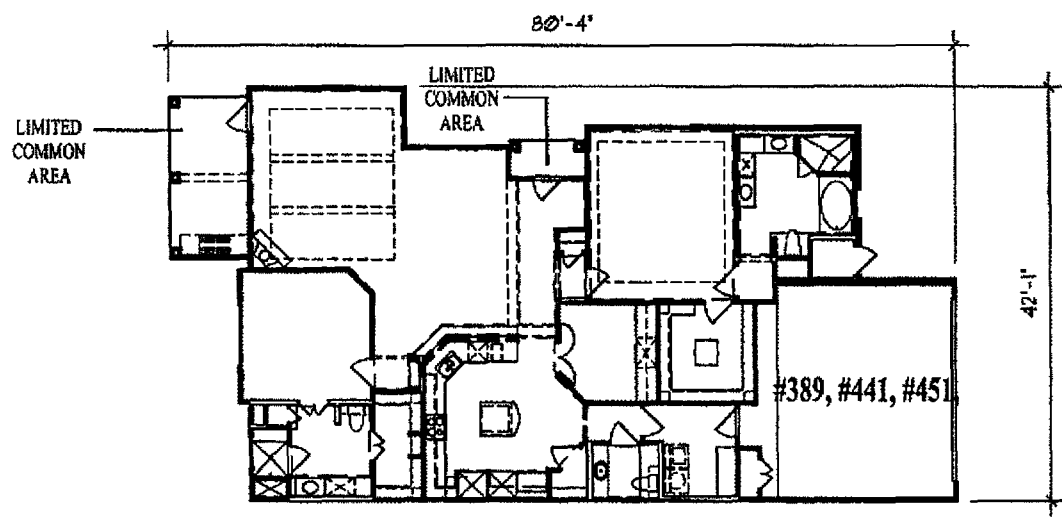
LOWER LEVEL



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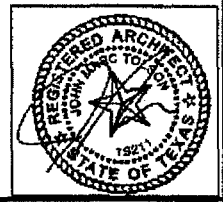
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>BUILDING # 12</p>	<p>DRAWN TO SCALE: 1/16" = 1'-0"</p>
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LOWER LEVEL

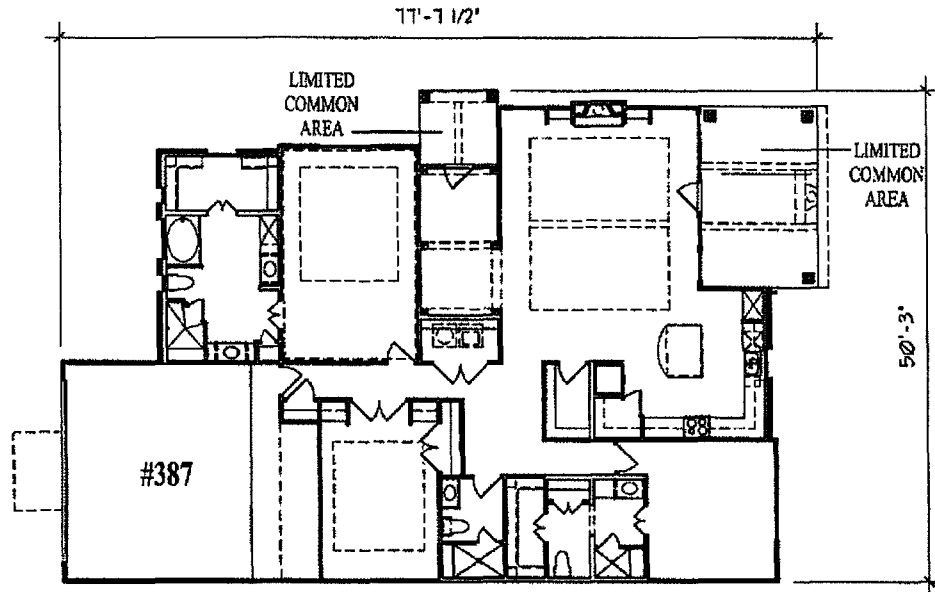
02-13-13



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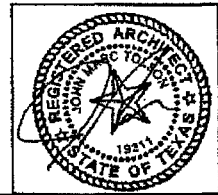
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>BONHAM (END) UNIT</p> <p>#389, #441, #451</p> <p>LOWER LEVEL SQ. FT = 2,127 UPPER LEVEL SQ. FT = 0 GARAGE = 435 TOTAL S.F. = 2,562</p>	<p>DRAWN TO SCALE:</p> <p>1/8" = 1'-0"</p>
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LOWER LEVEL

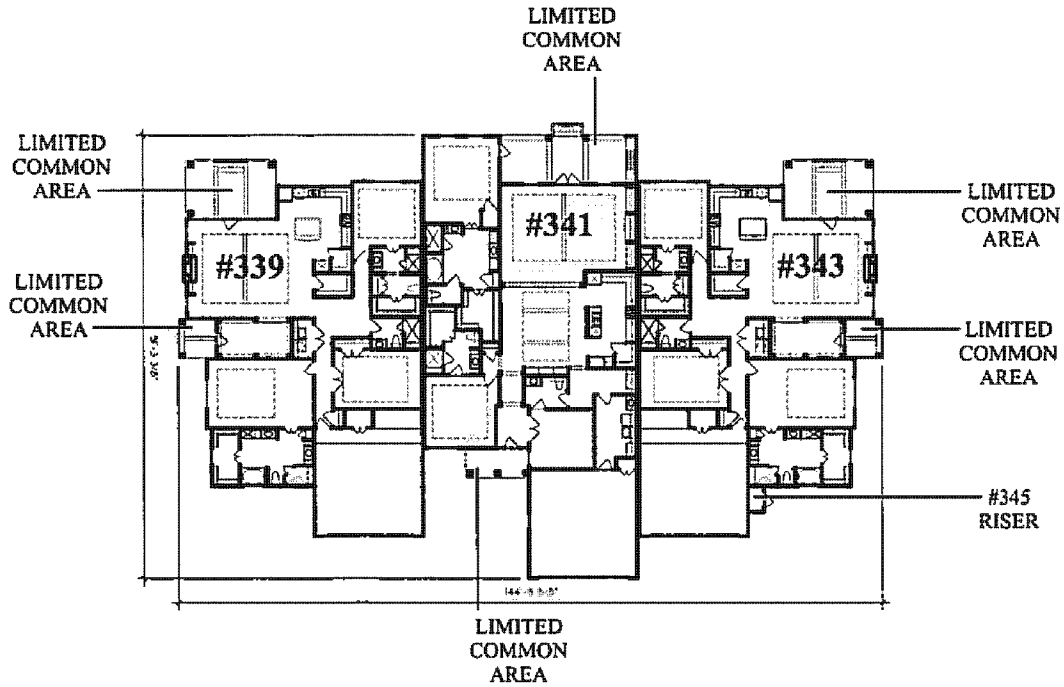
02-13-13



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<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>BUCHANAN (END) UNIT</p> <p>#387</p> <p>LOWER LEVEL SQ. FT. = 2,416 UPPER LEVEL SQ. FT. = 0 GARAGE = 516 TOTAL S.F. = 2,932</p>	<p>DRAWN TO SCALE:</p> <p>1/16" = 1'-0"</p>
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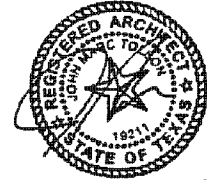
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LOWER LEVEL

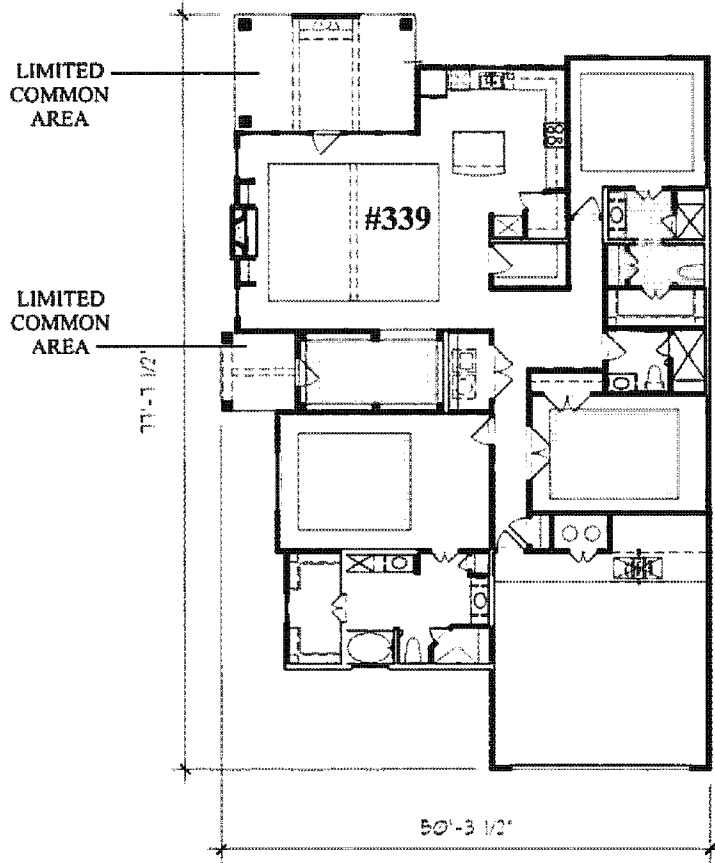
01-20-14

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<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>BUILDING 13</p>	<p>DRAWN TO SCALE: 1/32" = 1'-0"</p>
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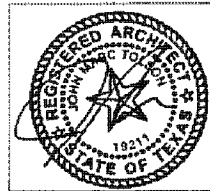
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LOWER LEVEL

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01-20-13



WATERMERE @ SOUTHLAKE

EAST VILLAGE VILLA UNITS
SOUTHLAKE, TEXAS

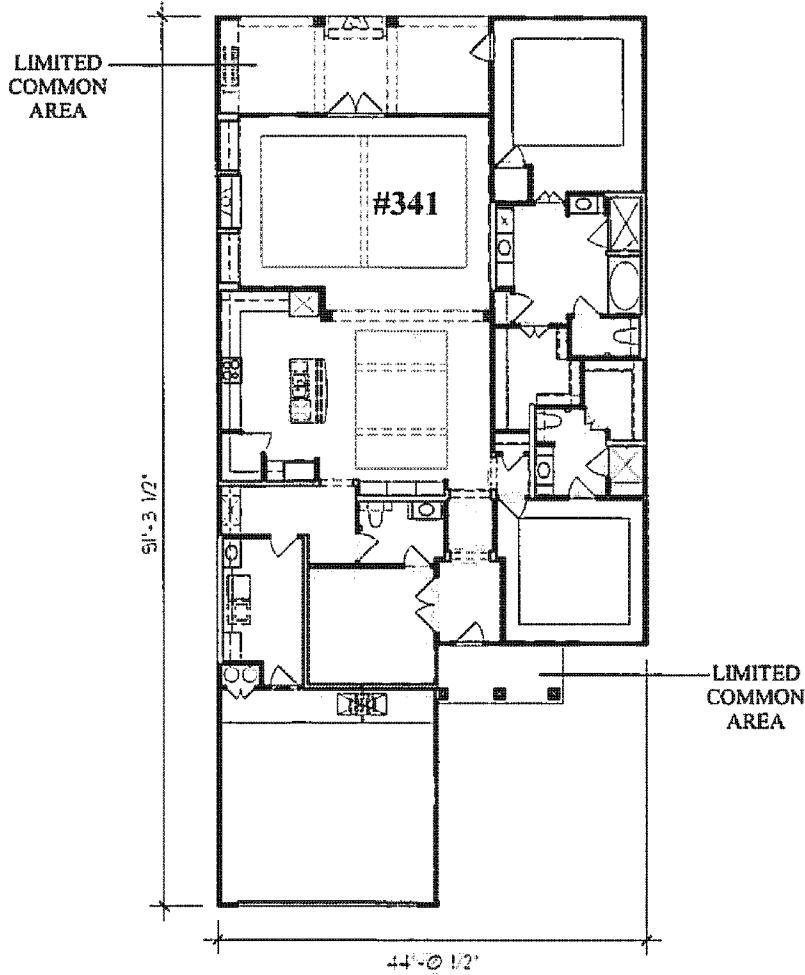
Buchanan Unit #339

LOWER LEVEL SQ. FT = 2,414
UPPER LEVEL SQ. FT = 0
GARAGE = 564
TOTAL S.F. = 2,978

DRAWN TO SCALE:

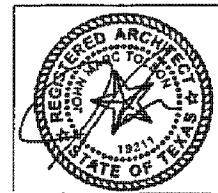
$\frac{1}{16}'' = 1'-0''$

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.



LOWER LEVEL

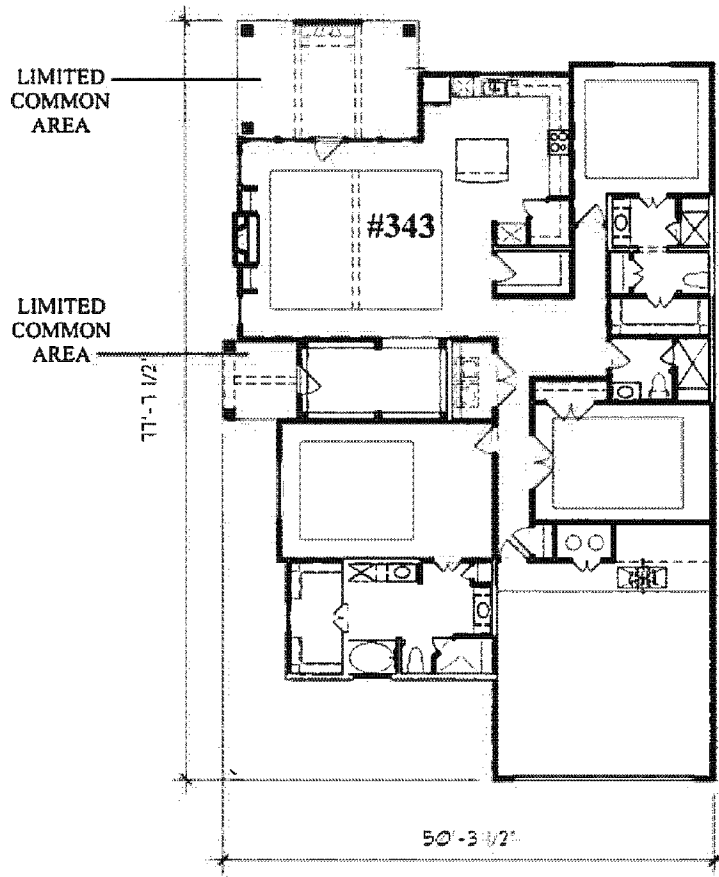
01-20-13



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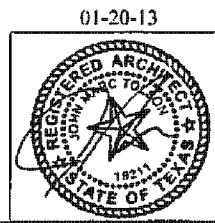
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>Simmons Unit #341</p> <p>LOWER LEVEL SQ. FT = 2,651 UPPER LEVEL SQ. FT = 0 GARAGE = 513 TOTAL S.F. = 3,164</p>	<p>DRAWN TO SCALE: $\frac{1}{16}'' = 1'-0''$</p>
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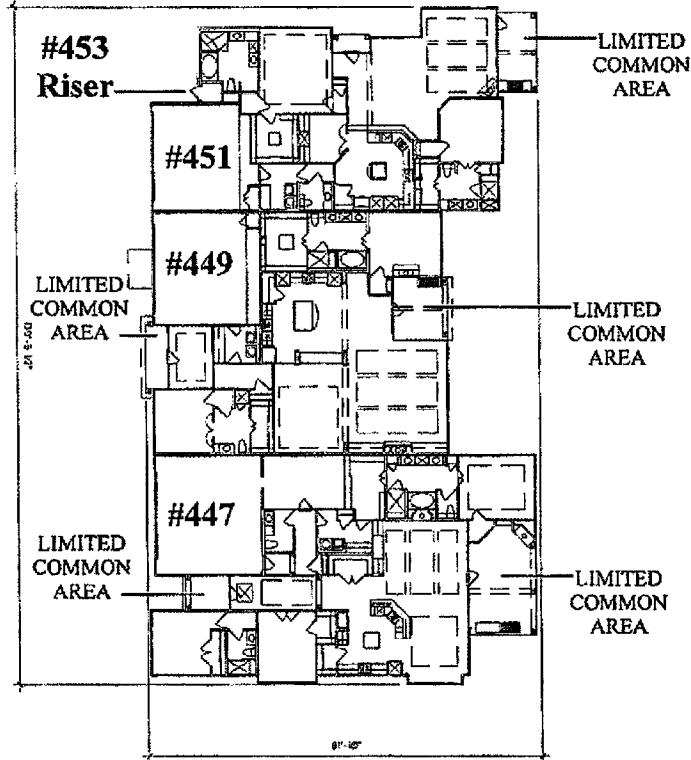
LOWER LEVEL

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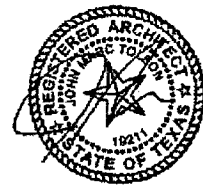
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>Buchanan Unit #343</p> <p>LOWER LEVEL SQ. FT. = 2,314 UPPER LEVEL SQ. FT. = 0 GARAGE = 564 TOTAL S.F. = 2,978</p>	<p>DRAWN TO SCALE: 1/16" = 1'-0"</p>
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LOWER LEVEL

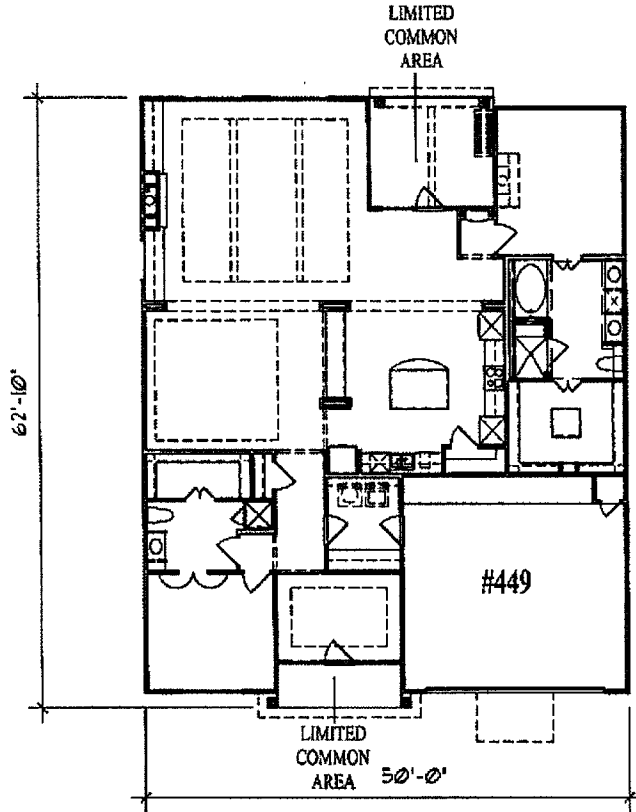
02-13-13



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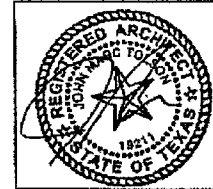
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>BUILDING # 14</p>	<p>DRAWN TO SCALE: 1/32" = 1'-0"</p>
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LOWER LEVEL

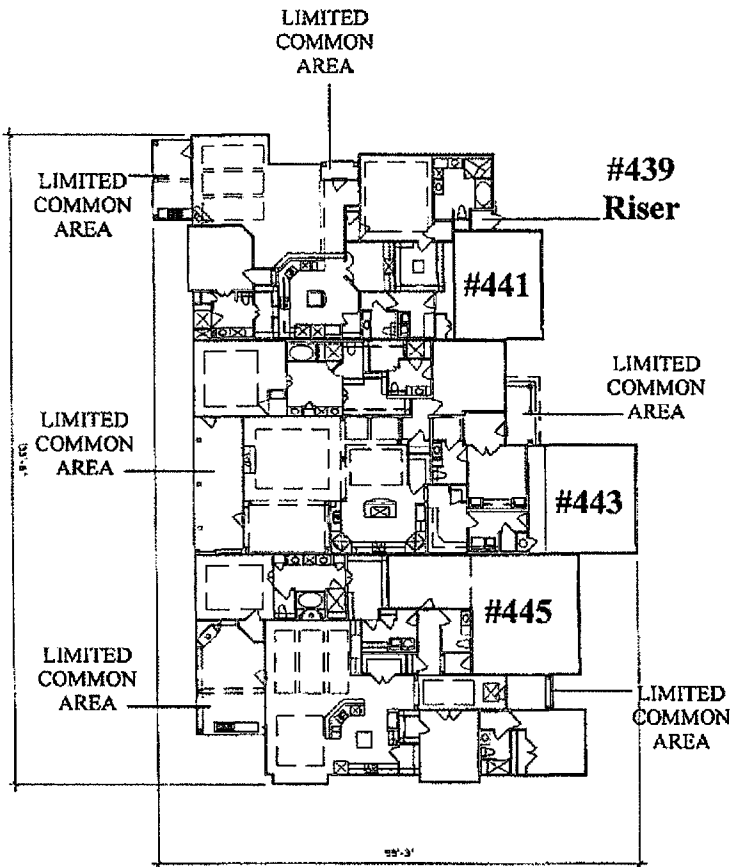
02-13-13



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<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>WIMBERLY UNIT</p> <p>#449</p> <p>LOWER LEVEL SQ. FT = 2,350 UPPER LEVEL SQ. FT = 0 GARAGE = 500 TOTAL S.F. = 2,850</p>	<p>DRAWN TO SCALE:</p> <p>1/8" = 1'-0"</p>
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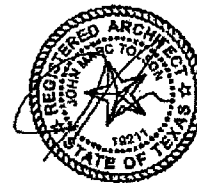
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02-13-13

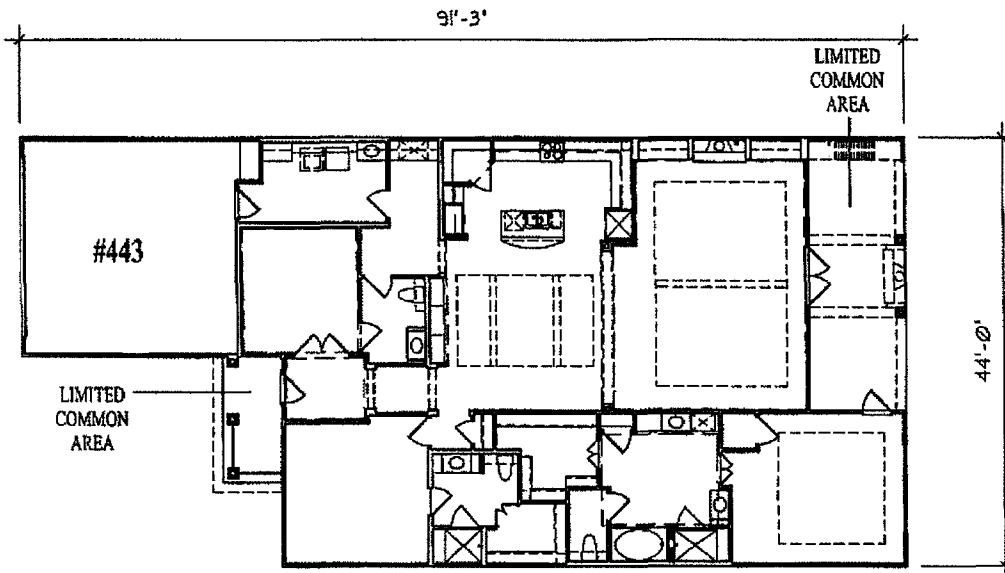
LOWER LEVEL

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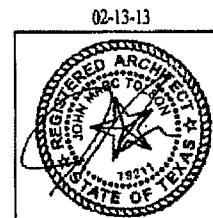
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>BUILDING # 15</p>	<p>DRAWN TO SCALE: 1/32" = 1'-0"</p>
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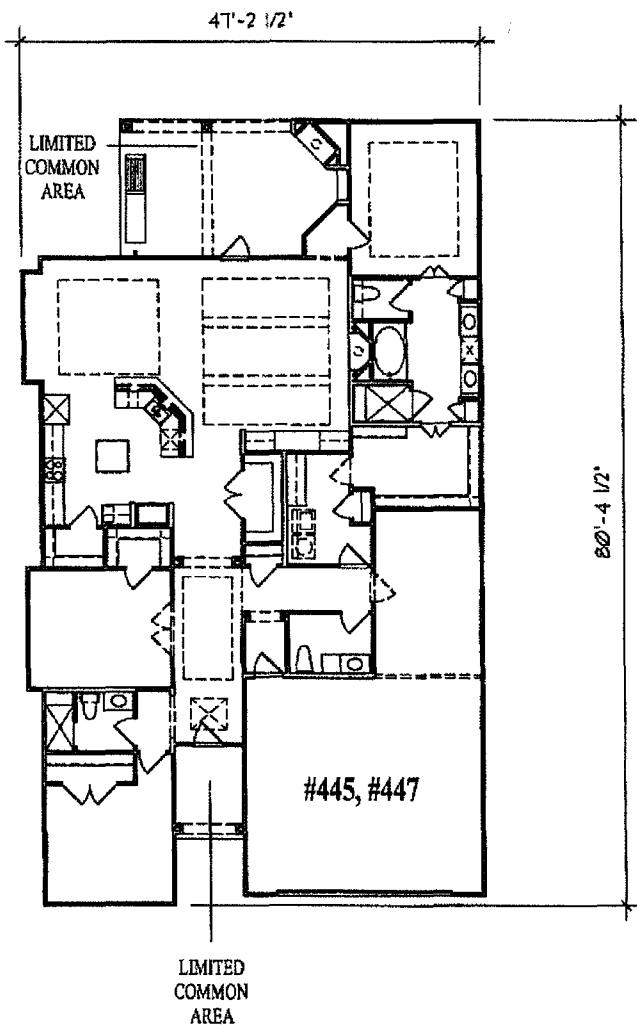
LOWER LEVEL

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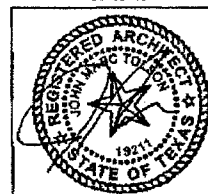
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>SIMMONS UNIT</p> <p>#443</p> <p>LOWER LEVEL SQ. FT = 2,644 UPPER LEVEL SQ. FT = 0 GARAGE = 493 TOTAL S.F. = 3,134</p>	<p>DRAWN TO SCALE:</p> <p>$\frac{1}{16}'' = 1'-0''$</p>
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LIMITED COMMON AREA
#445, #447
LIMITED COMMON AREA
LOWER LEVEL

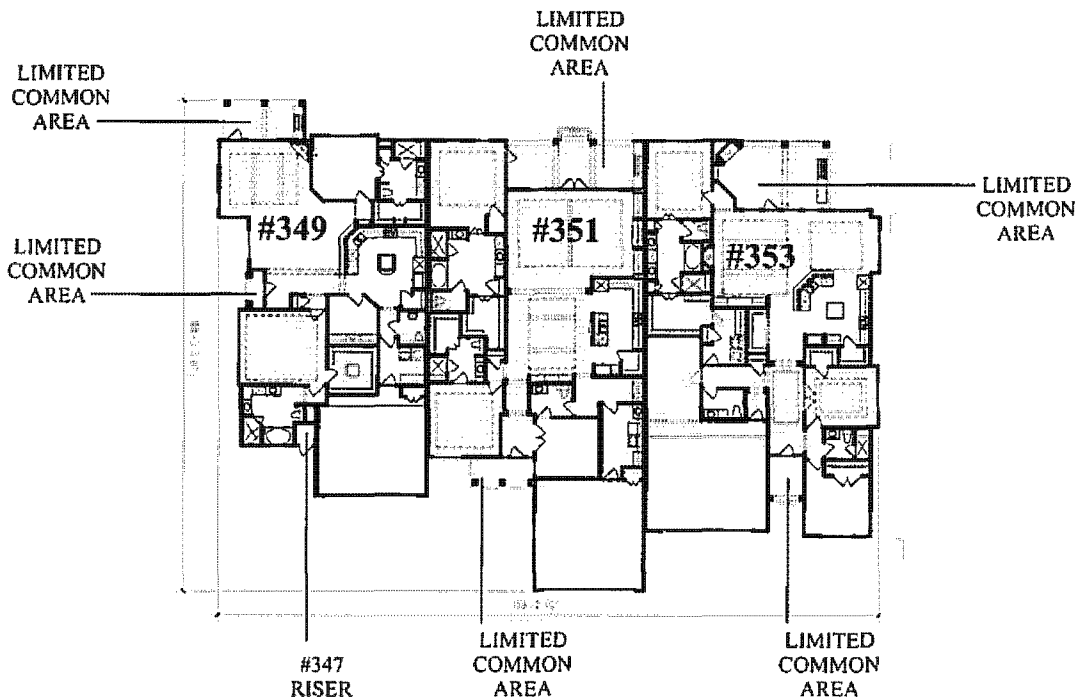
02-13-13



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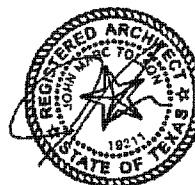
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>TRINITY UNIT</p> <p>#445, #447</p> <p>LOWER LEVEL SQ. FT - 2,306 UPPER LEVEL SQ. FT - 0 GARAGE - 718 TOTAL S.F. - 3,024</p>	<p>DRAWN TO SCALE: $\frac{1}{8}'' = 1'-0''$</p>
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LOWER LEVEL

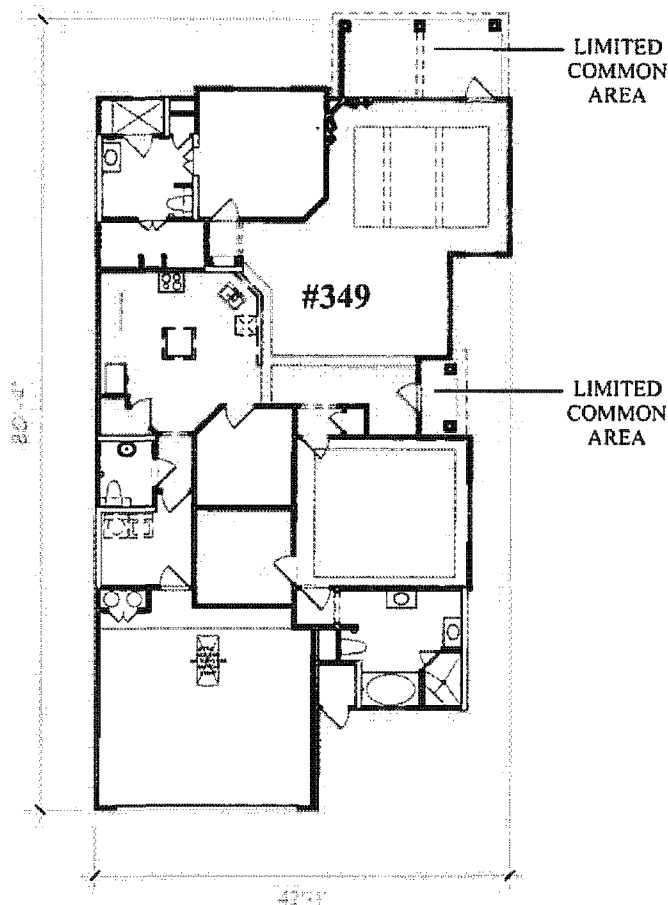
01-20-14



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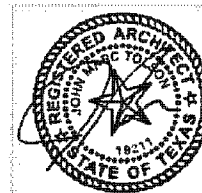
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>BUILDING 16</p>	<p>DRAWN TO SCALE: 1/32" = 1'-0"</p>
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LOWER LEVEL

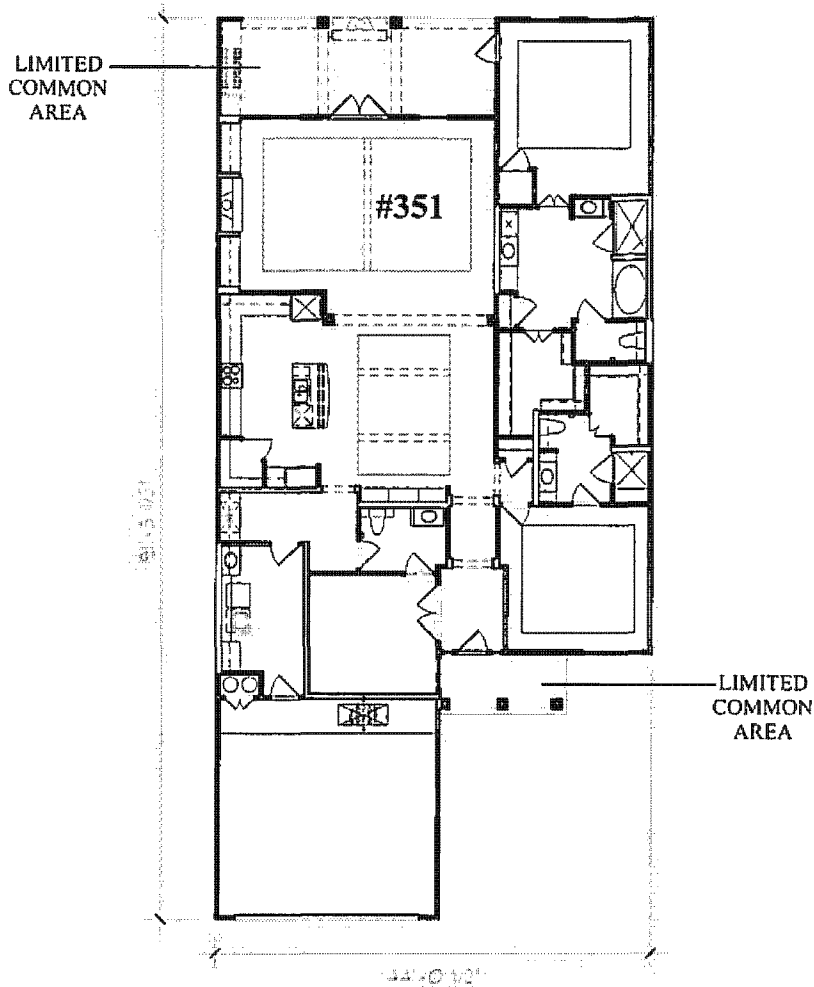
01-20-13



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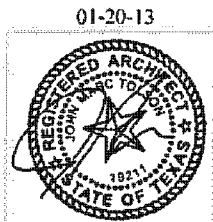
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>Bonham Unit #349</p> <p>LOWER LEVEL SQ. FT = 2,118 UPPER LEVEL SQ. FT = 0 GARAGE = 473 TOTAL S.F. = 2,591</p>	<p>DRAWN TO SCALE: 1/16" = 1'-0"</p>
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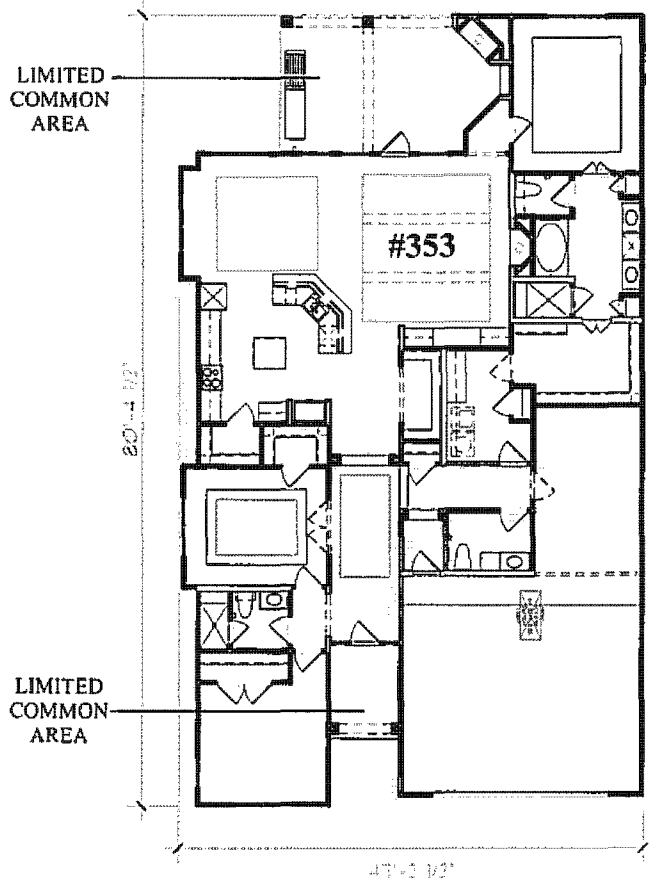
LOWER LEVEL

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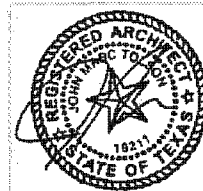
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>Simmons Unit #351</p> <p>LOWER LEVEL SQ. FT. = 2,651 UPPER LEVEL SQ. FT. = 0 GARAGE = 513 TOTAL S.F. = 3,164</p>	<p>DRAWN TO SCALE: 1/16" = 1'-0"</p>
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LOWER LEVEL

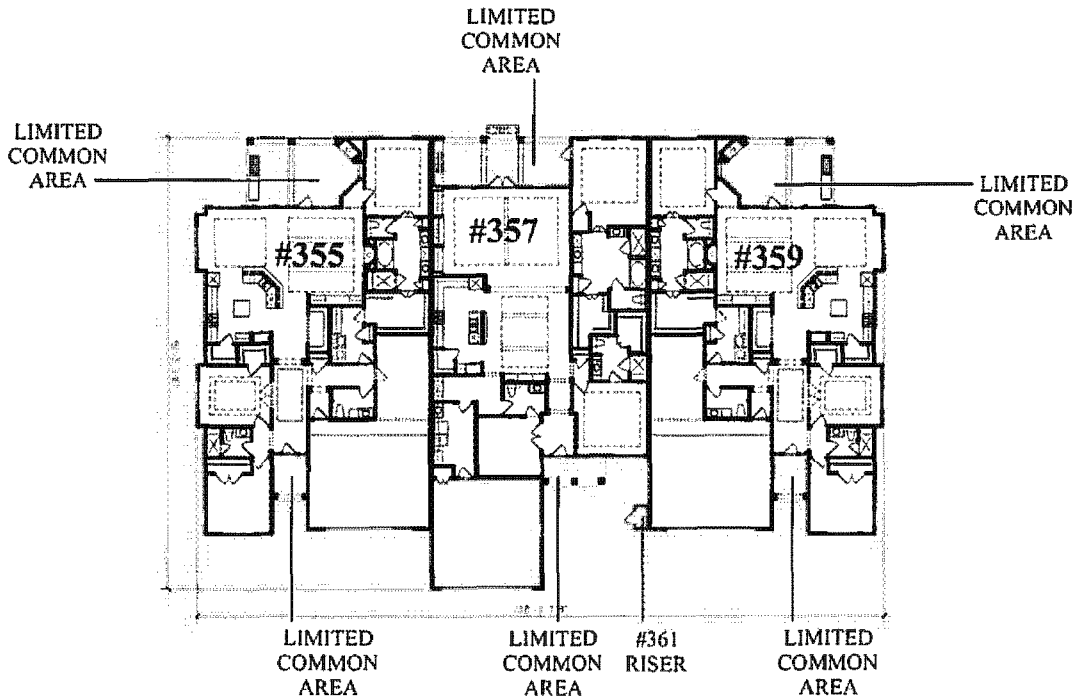
01-20-13



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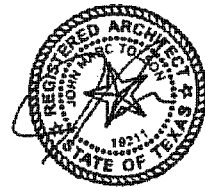
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS</p> <p>SOUTHLAKE, TEXAS</p>	<p>Trinity Unit #353</p> <p>LOWER LEVEL SQ. FT. = 2,382</p> <p>UPPER LEVEL SQ. FT. = 0</p> <p>GARAGE = 743</p> <p>TOTAL S.F. = 3,125</p>	<p>DRAWN TO SCALE:</p> <p>$\frac{1}{16}'' = 1'-0''$</p>
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LOWER LEVEL

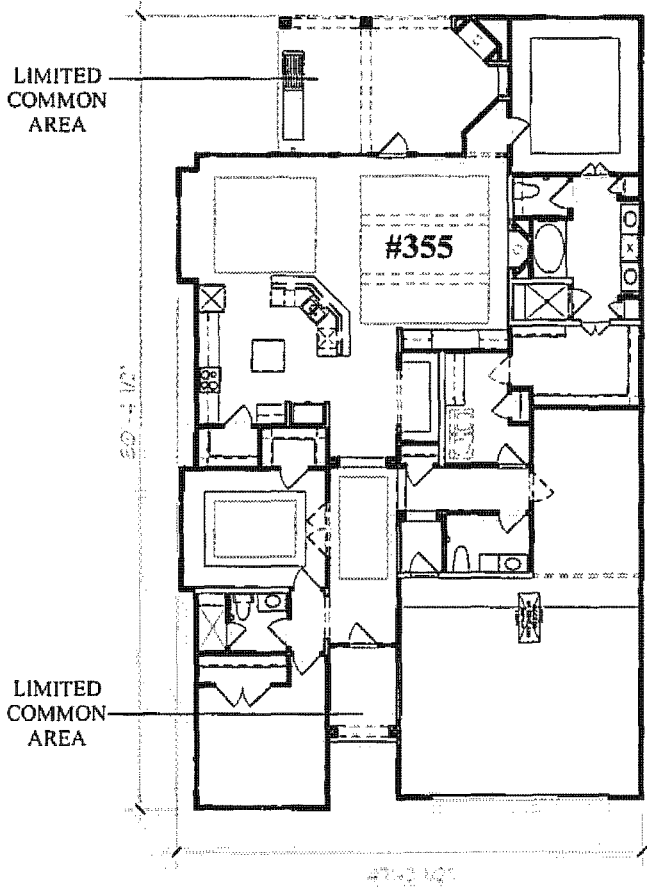
01-20-14



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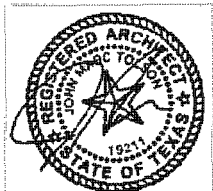
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>BUILDING 17</p>	<p>DRAWN TO SCALE: 1/32" = 1'-0"</p>
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LOWER LEVEL

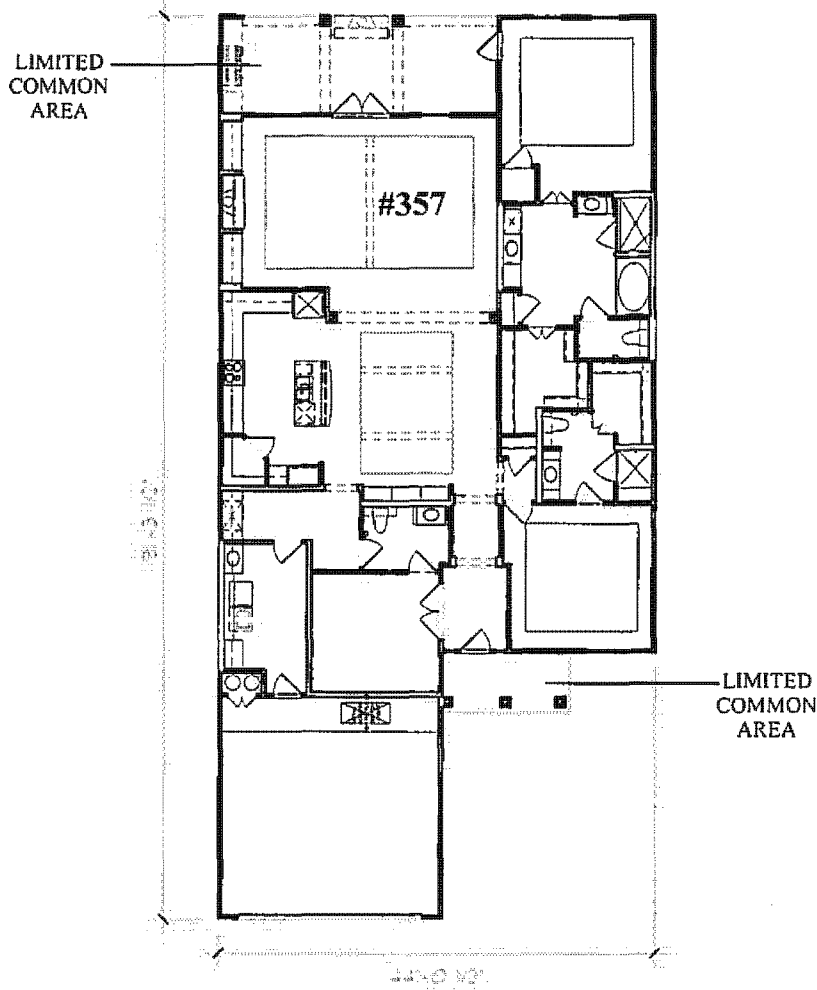
01-20-13



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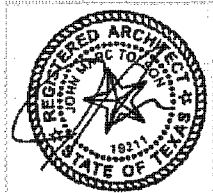
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>Trinity Unit #355</p> <p>LOWER LEVEL SQ. FT = 1,382 UPPER LEVEL SQ. FT = 0 GARAGE = 743 TOTAL S.F. = 3,125</p>	<p>DRAWN TO SCALE: 1/16" = 1'-0"</p>
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LOWER LEVEL

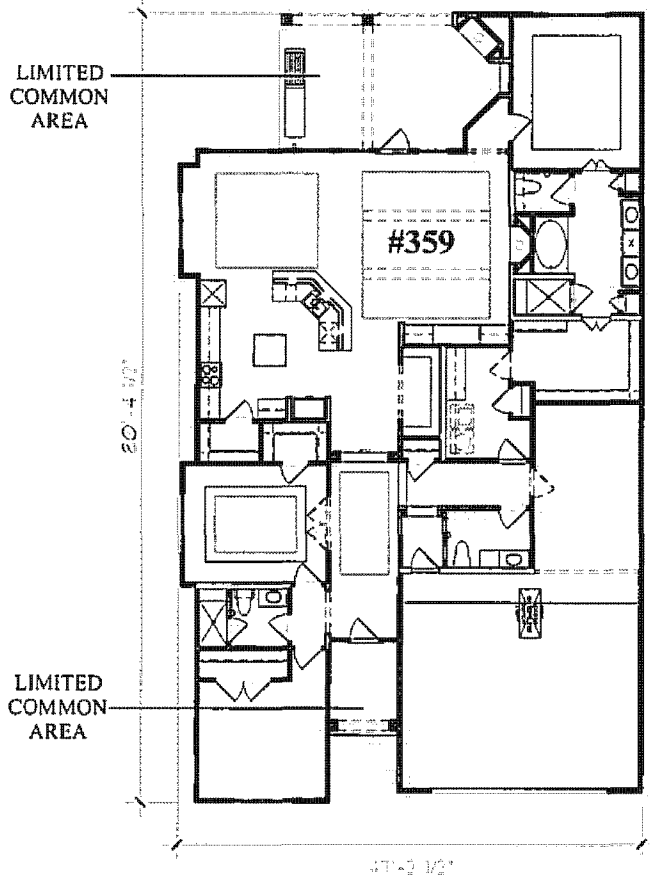
01-20-13



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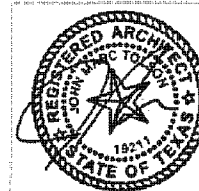
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>Simmons Unit #357</p> <p>LOWER LEVEL SQ. FT + 2,661 UPPER LEVEL SQ. FT + 0 GARAGE - 513 TOTAL S.F. + 3,164</p>	<p>DRAWN TO SCALE: 1" = 1'-0"</p>
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LOWER LEVEL

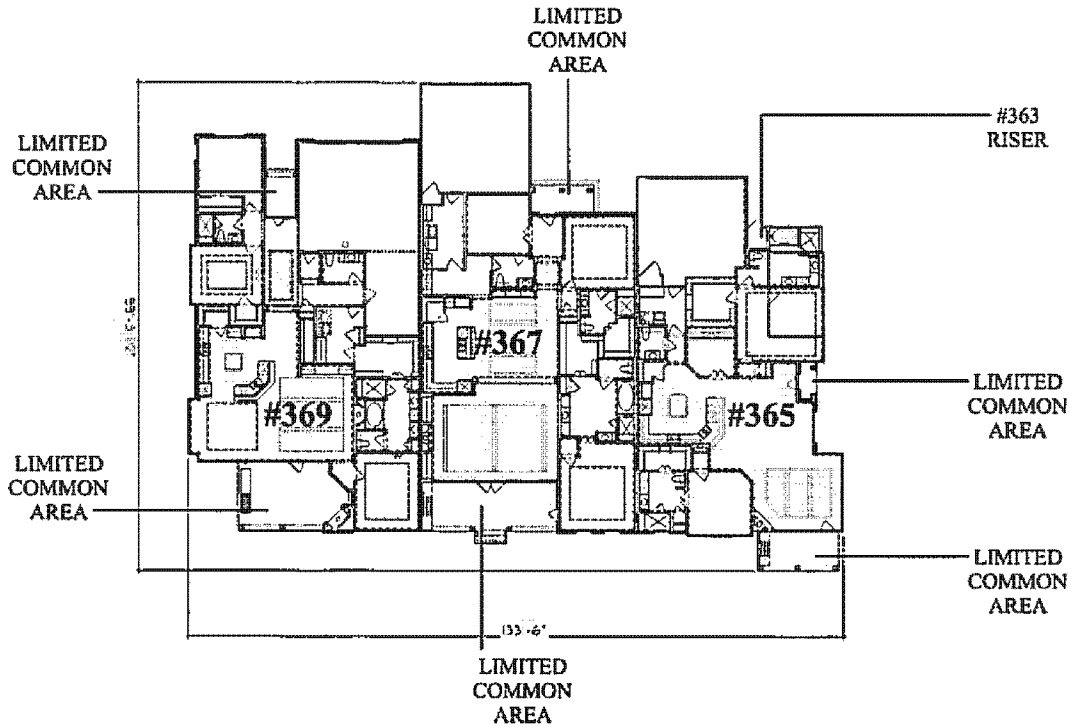
01-20-13



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<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>Trinity Unit #359</p> <p>LOWER LEVEL SQ. FT = 2,381 UPPER LEVEL SQ. FT = 0 GARAGE = 743 TOTAL S.F. = 3,125</p>	<p>DRAWN TO SCALE: 1/16" = 1'-0"</p>
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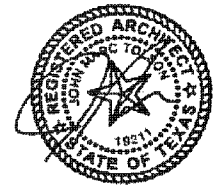
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LOWER LEVEL

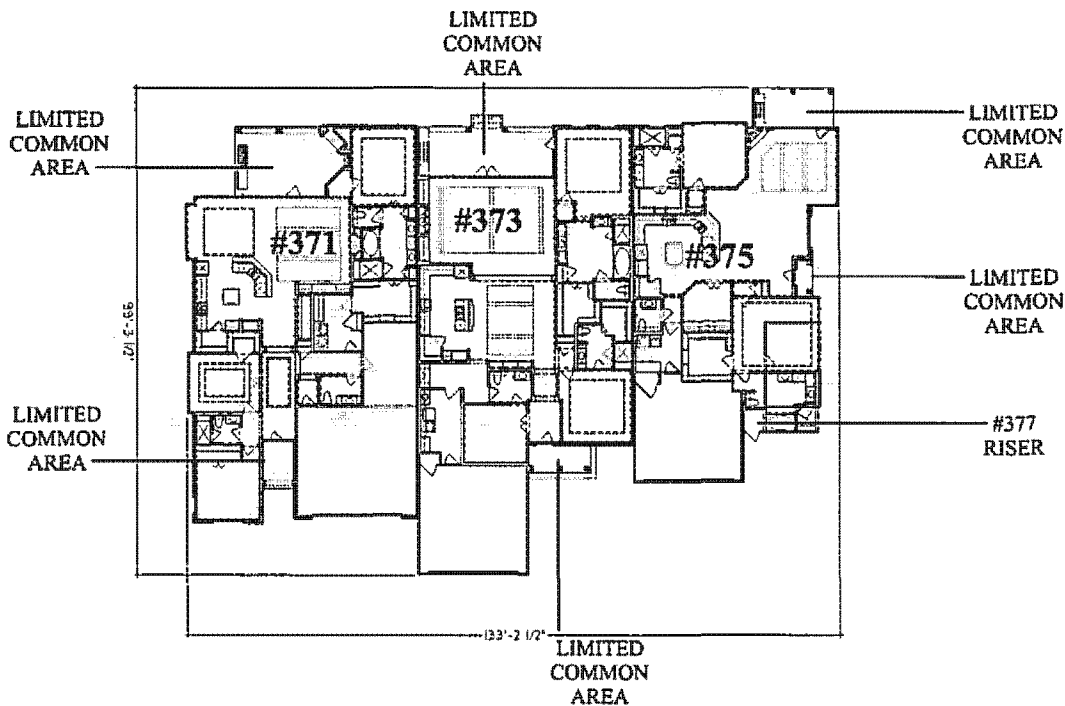
05-14-15

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<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>BUILDING 18</p>	<p>DRAWN TO SCALE: 1/32" = 1'-0"</p>
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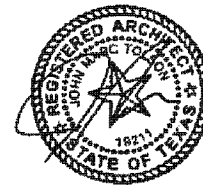
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LOWER LEVEL

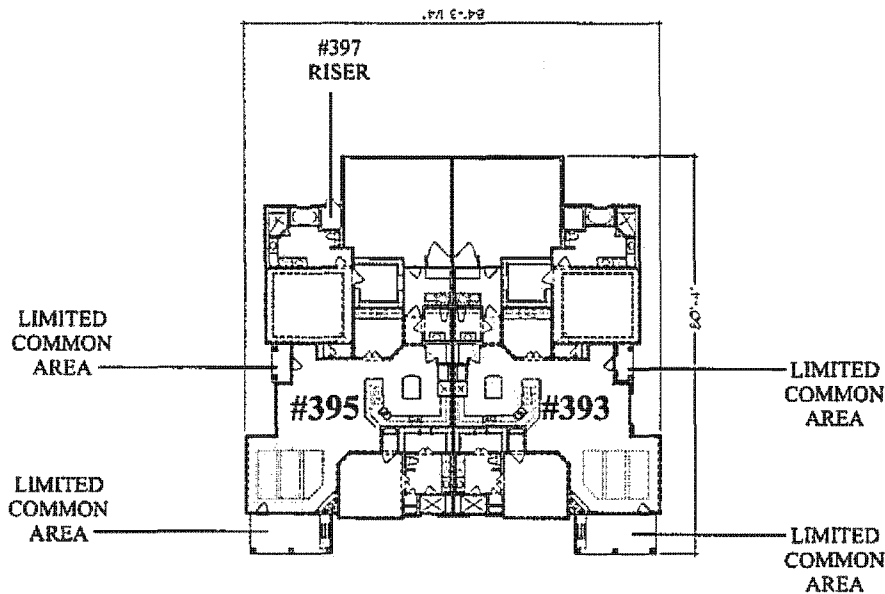
05-14-15

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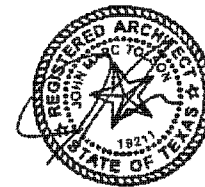
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>BUILDING 19</p>	<p>DRAWN TO SCALE: 1/32" = 1'-0"</p>
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LOWER LEVEL

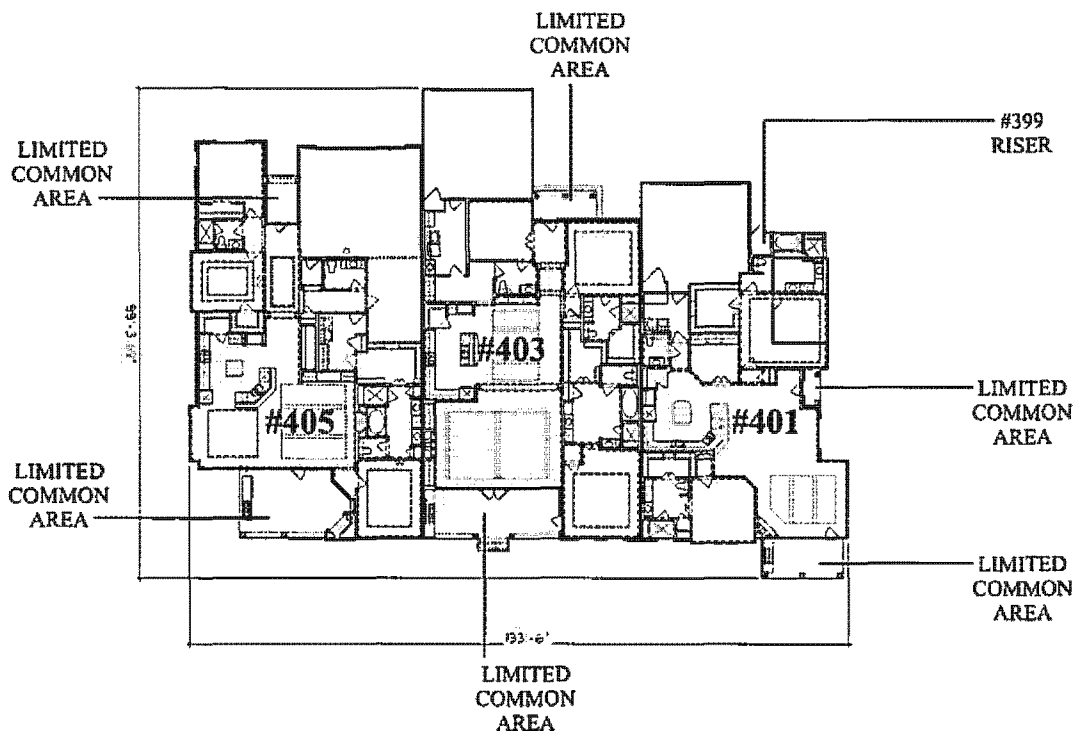
05-14-15



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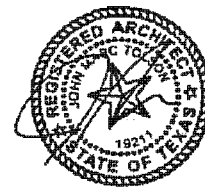
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>BUILDING 20</p>	<p>DRAWN TO SCALE: 1/32" = 1'-0"</p>
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LOWER LEVEL

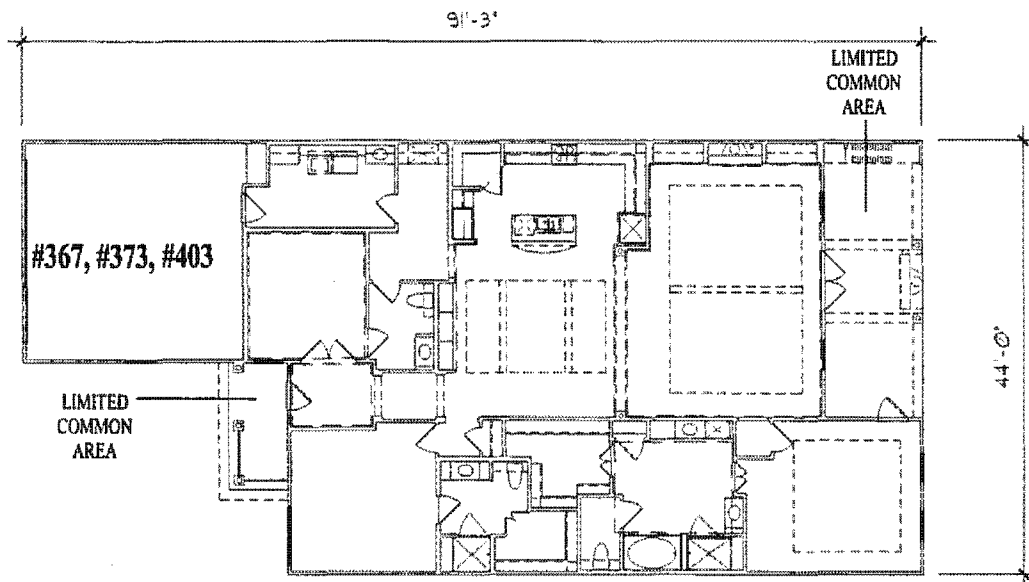
05-14-15



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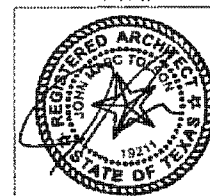
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>BUILDING 21</p>	<p>DRAWN TO SCALE: 1/32" = 1'-0"</p>
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LOWER LEVEL

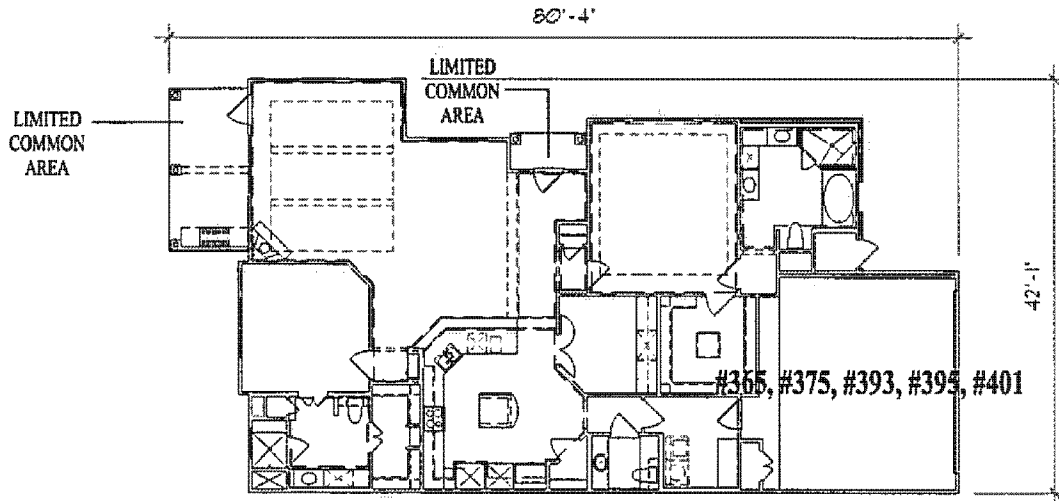
05-14-15



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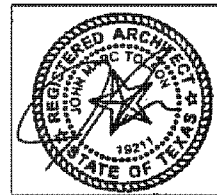
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS</p> <p>SOUTHLAKE, TEXAS</p>	<p>SIMMONS UNIT</p> <p>#367, #373, #403</p> <p>LOWER LEVEL SQ. FT. = 2,661</p> <p>UPPER LEVEL SQ. FT. = 0</p> <p>GARAGE = 493</p> <p>TOTAL S.F. = 3,154</p>	<p>DRAWN TO SCALE:</p> <p>$\frac{1}{8}'' = 1'-0''$</p>
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LOWER LEVEL

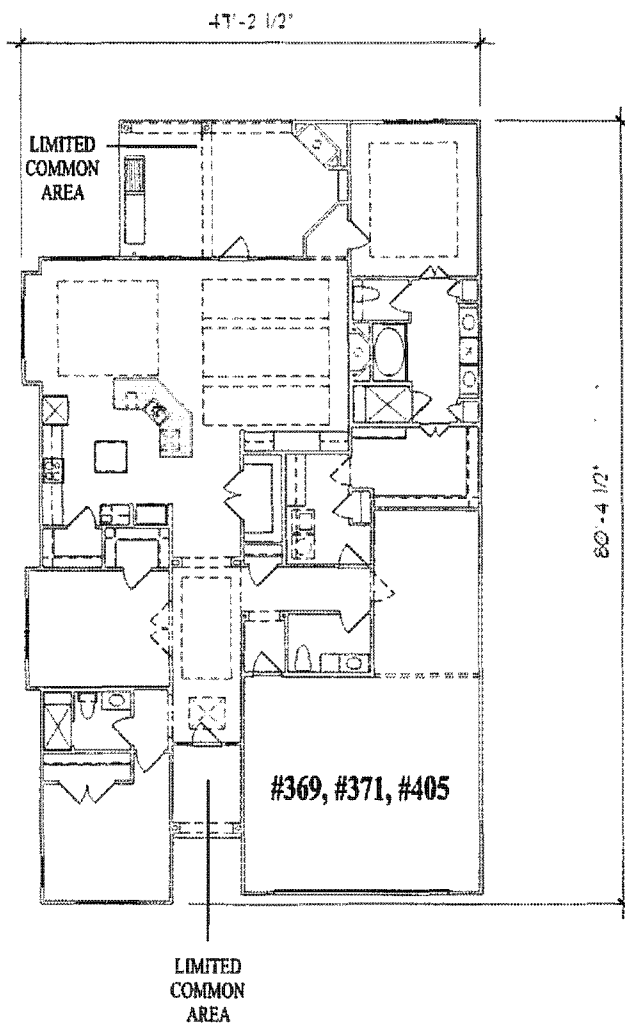
05-14-15



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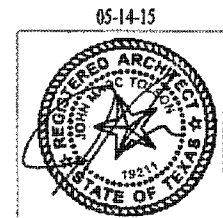
<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS</p> <p>SOUTHLAKE, TEXAS</p>	<p>BONHAM (END) UNIT</p> <p>#365, #375, #393, #395, #401</p> <p>LOWER LEVEL SQ. FT. = 2,127</p> <p>UPPER LEVEL SQ. FT. = 4</p> <p>GARAGE = 435</p> <p>TOTAL S.F. = 2,562</p>	<p>DRAWN TO SCALE:</p> <p>$\frac{1}{16}'' = 1'-0''$</p>
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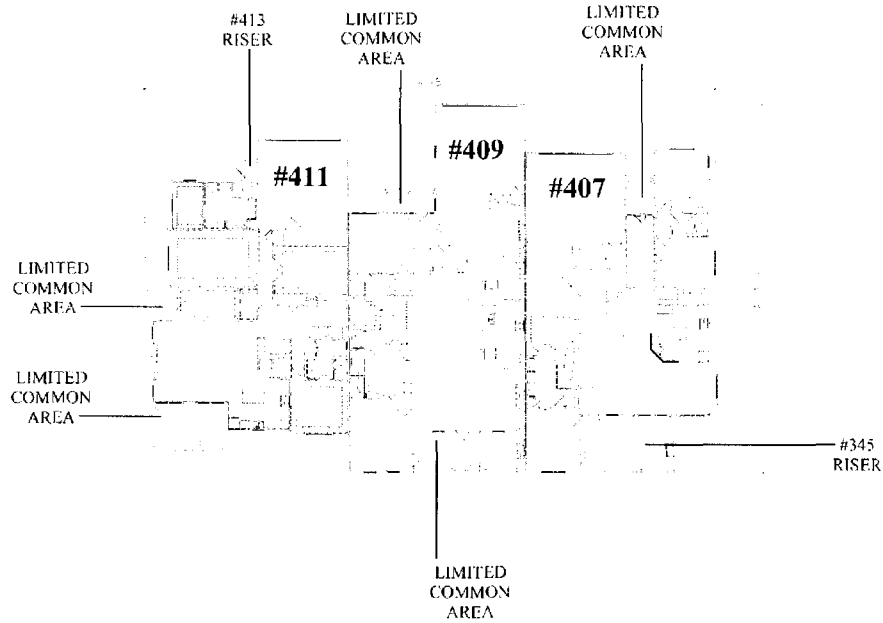
LOWER LEVEL

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<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>TRINITY UNIT #369, #371, #405</p> <p>LOWER LEVEL SQ. FT = 2,306 UPPER LEVEL SQ. FT = 0 GARAGE = 718 TOTAL S.F. = 3,024</p>	<p>DRAWN TO SCALE: 1/16" = 1'-0"</p>
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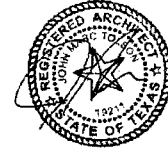
This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.



11-23-15

LOWER LEVEL

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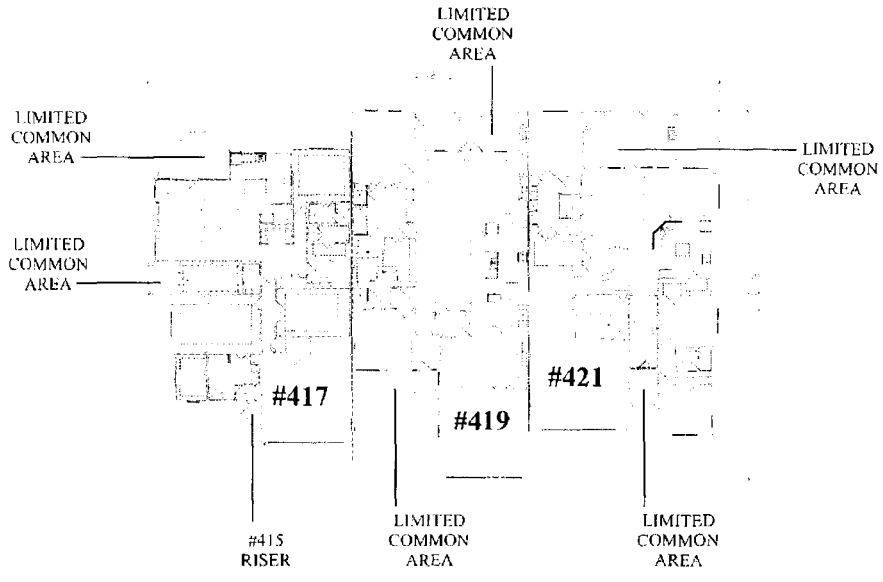
WATERMERE @ SOUTHLAKE

EAST VILLAGE VILLA UNITS
SOUTHLAKE, TEXAS

BUILDING 22

DRAWN TO SCALE:
1/32" = 1'-0"

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.



11-23-15

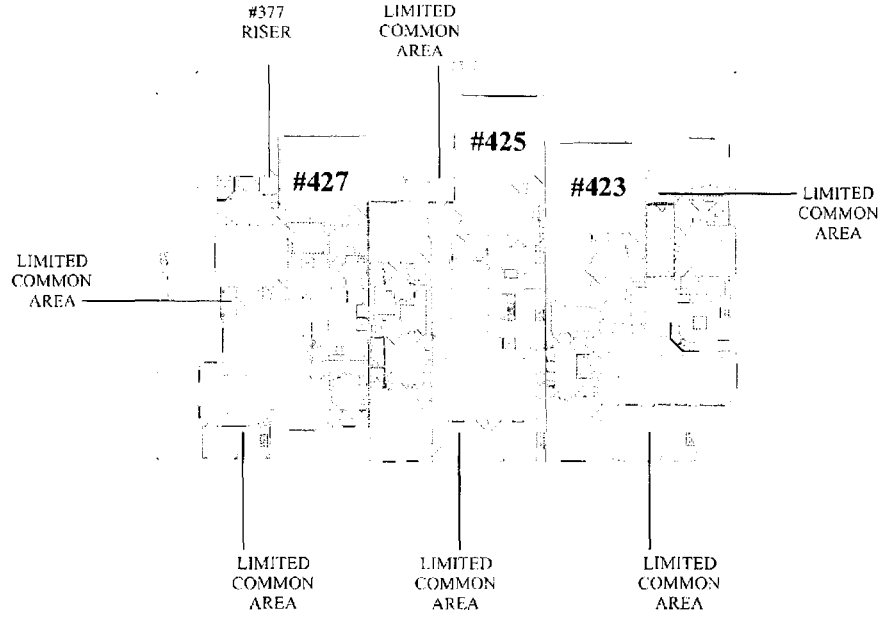
LOWER LEVEL

I, John Marc Tolson a licensed Architect/Engineer do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act



WATERMERE @ SOUTHLAKE	BUILDING 23	DRAWN TO SCALE: 1/32" = 1'-0"
EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS		

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.



LOWER LEVEL

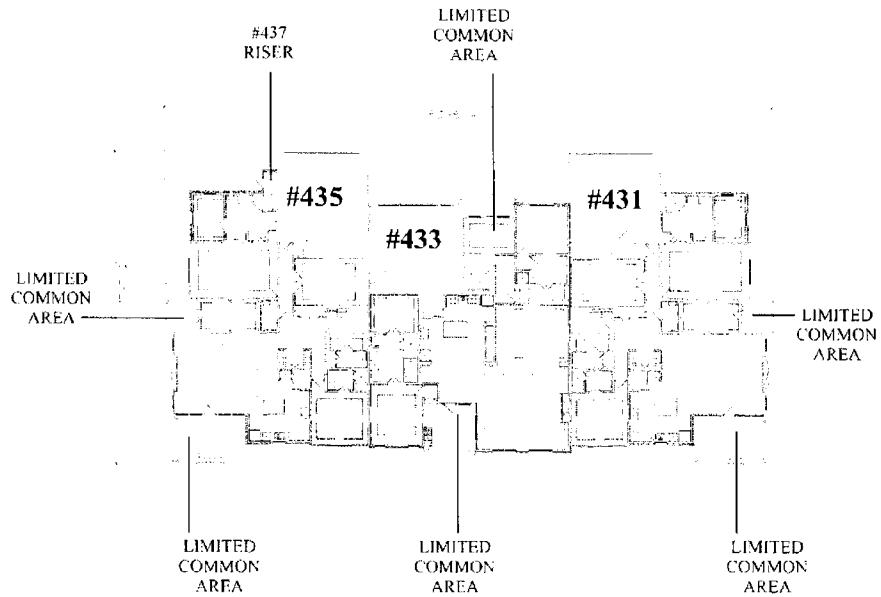
11-23-15

I, John Marc Tolson, a licensed Architect/Engineer, do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act.



<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>BUILDING 24</p>	<p>DRAWN TO SCALE: 1/32" = 1'-0"</p>
--	---------------------------	--

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.



LOWER LEVEL

11-23-15

I, John Marc Tolson, a licensed Architect/Engineer do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act.



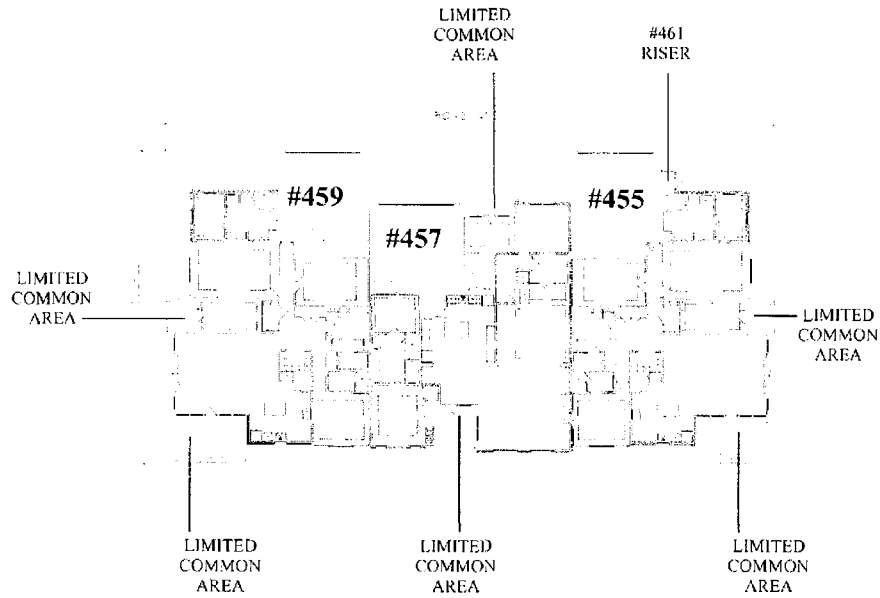
WATERMERE @ SOUTHLAKE

EAST VILLAGE VILLA UNITS
SOUTHLAKE, TEXAS

BUILDING 25

DRAWN TO SCALE:
1/32" = 1'-0"

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.



11-23-15

LOWER LEVEL

I John Marc Tolson a licensed Architect/ Engineer do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act.



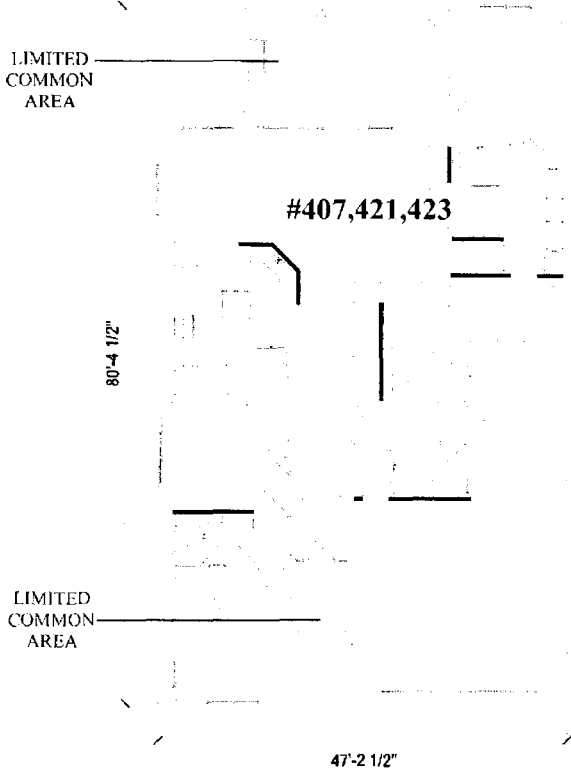
WATERMERE @ SOUTHLAKE

**EAST VILLAGE VILLA UNITS
SOUTHLAKE, TEXAS**

BUILDING 26

**DRAWN TO SCALE:
1/32" = 1'-0"**

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.



LOWER LEVEL

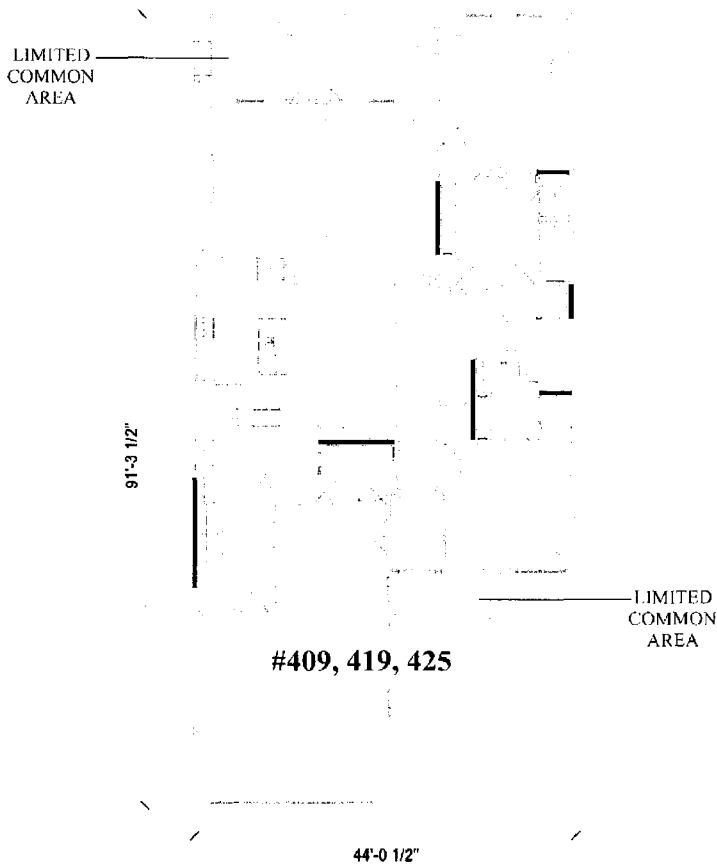
11-23-15



I John Marc Tolson a licensed Architect/ Engineer do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act.

<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNIT'S SOUTHLAKE, TEXAS</p>	<p>Trinity Unit # 407,421,423</p> <p>LOWER LEVEL SQ. FT = 2,382 UPPER LEVEL SQ. FT = 0 GARAGE = 743 TOTAL S.F. = 3,125</p>	<p>DRAWN TO SCALE: 1/16" = 1'-0"</p>
---	--	--

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.

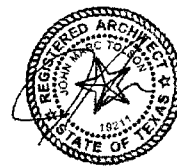


#409, 419, 425

44'-0 1/2"

LOWER LEVEL

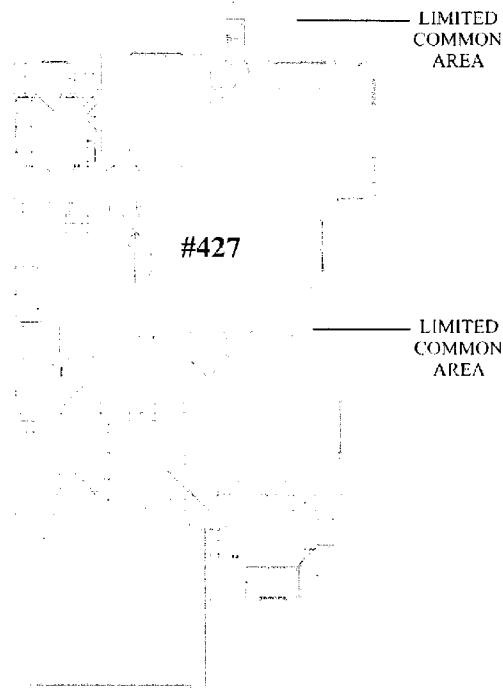
11-23-15



I John Marc Tolson a licensed Architect/ Engineer do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act.

<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>Simmons Unit # 409, 419, 425</p> <p>LOWER LEVEL SQ. FT = 2,651 UPPER LEVEL SQ. FT = 0 GARAGE = 513 TOTAL SF. = 3,164</p>	<p>DRAWN TO SCALE: 1/16" = 1'-0"</p>
--	---	--

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.



11-23-15

LOWER LEVEL

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WATERMERE @ SOUTHLAKE

EAST VILLAGE VILLA UNITS
SOUTHLAKE, TEXAS

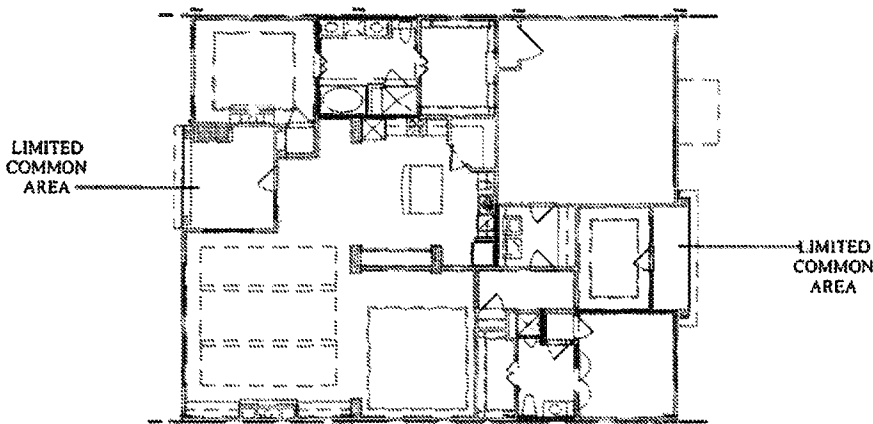
Bonham Unit #427

LOWER LEVEL SQ. FT = 2,118
UPPER LEVEL SQ. FT = 0
GARAGE = 473
TOTAL S.F. = 2,591

DRAWN TO SCALE:
1" = 1'-0"

This floor plan and the dimensions and square footage calculations shown herein are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.

#433, 457



LOWER LEVEL

11-23-15



I John Marc Tolson a licensed Architect/ Engineer do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act.

<p>WATERMERE @ SOUTHLAKE</p> <p>EAST VILLAGE VILLA UNITS SOUTHLAKE, TEXAS</p>	<p>Wimberly Unit # 433,457</p> <p>LOWER LEVEL SQ. FT. ~ 2,300 UPPER LEVEL SQ. FT. ~ 0 GARAGE ~ 300 TOTAL S.F. ~ 2,600</p>	<p>DRAWN TO SCALE: $\frac{1}{16}'' = 1'-0''$</p>
--	---	---

This floor plan and the dimensions and square footage calculations shown hereon are approximations only. In the event of a conflict between this floor plan and the condominium declaration, the latter shall control. The vertical heights of these units are 10' above finished floor for each level.

LIMITED COMMON AREA

LIMITED COMMON AREA

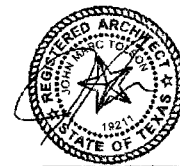
#411, 417, 431, 435, 455, 459

77'-7 1/2"

50'-3 1/2"

LOWER LEVEL

11-23-15



I John Marc Tolson a licensed Architect/ Engineer do hereby certify that this plan is accurate and complies with the provisions of Section 82.059 of the Texas Uniform Condominium Act.

WATERMERE @ SOUTHLAKE

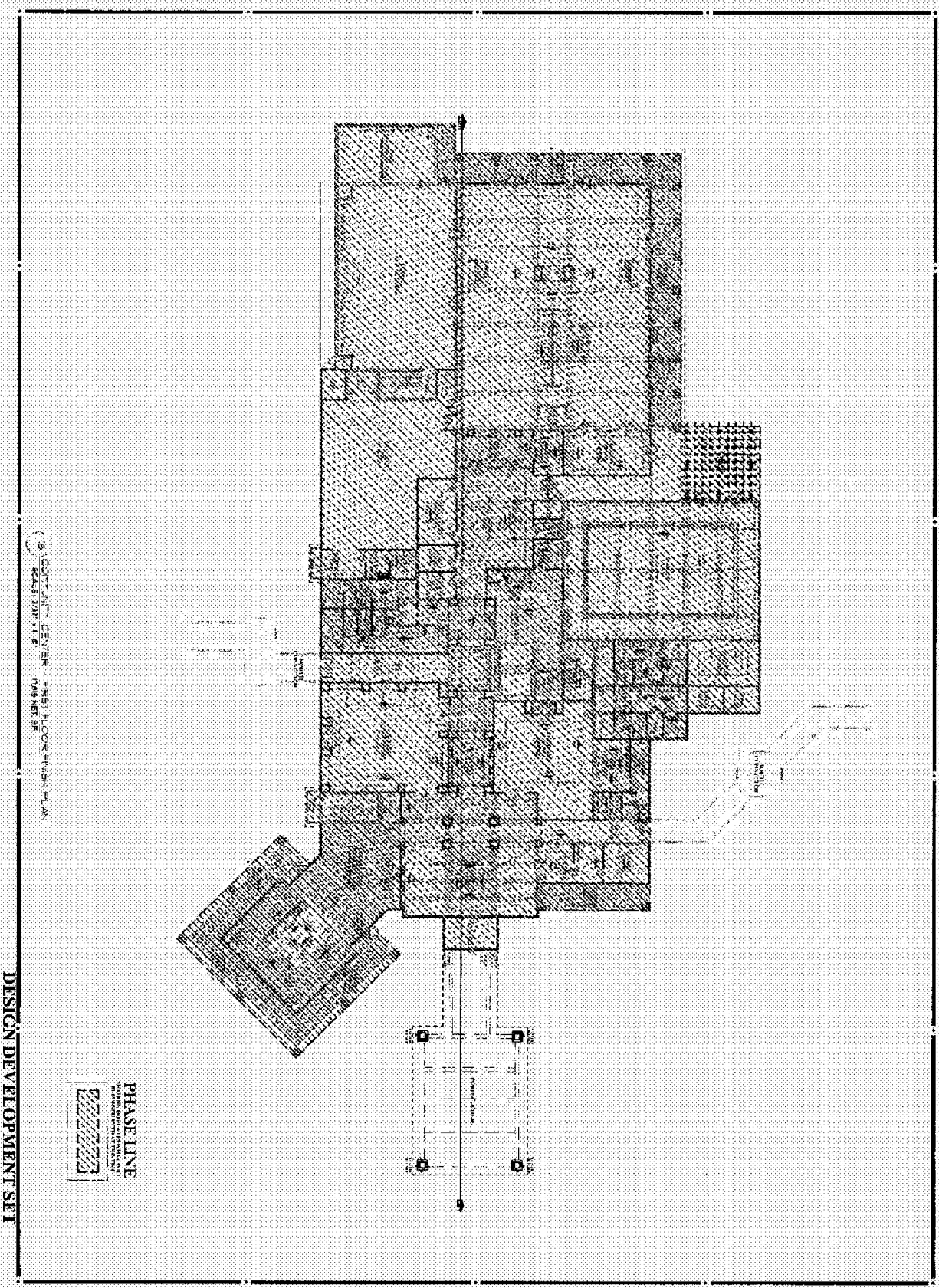
EAST VILLAGE VILLA UNITS
SOUTHLAKE, TEXAS

**Buchanan Unit #
411, 417, 431, 435, 455, 459**

LOWER LEVEL SQ. FT = 2,414
UPPER LEVEL SQ. FT = 0
GARAGE = 564
TOTAL S.F. = 2,978

DRAWN TO SCALE:
1/16" = 1'-0"

Exhibit A-4
Clubhouse Plans
(Based on Second Amendment to the Declaration)



COMMUNITY CENTER - FIRST FLOOR PLAN
 SCALE 1/8" = 1'-0"
 08/20/18

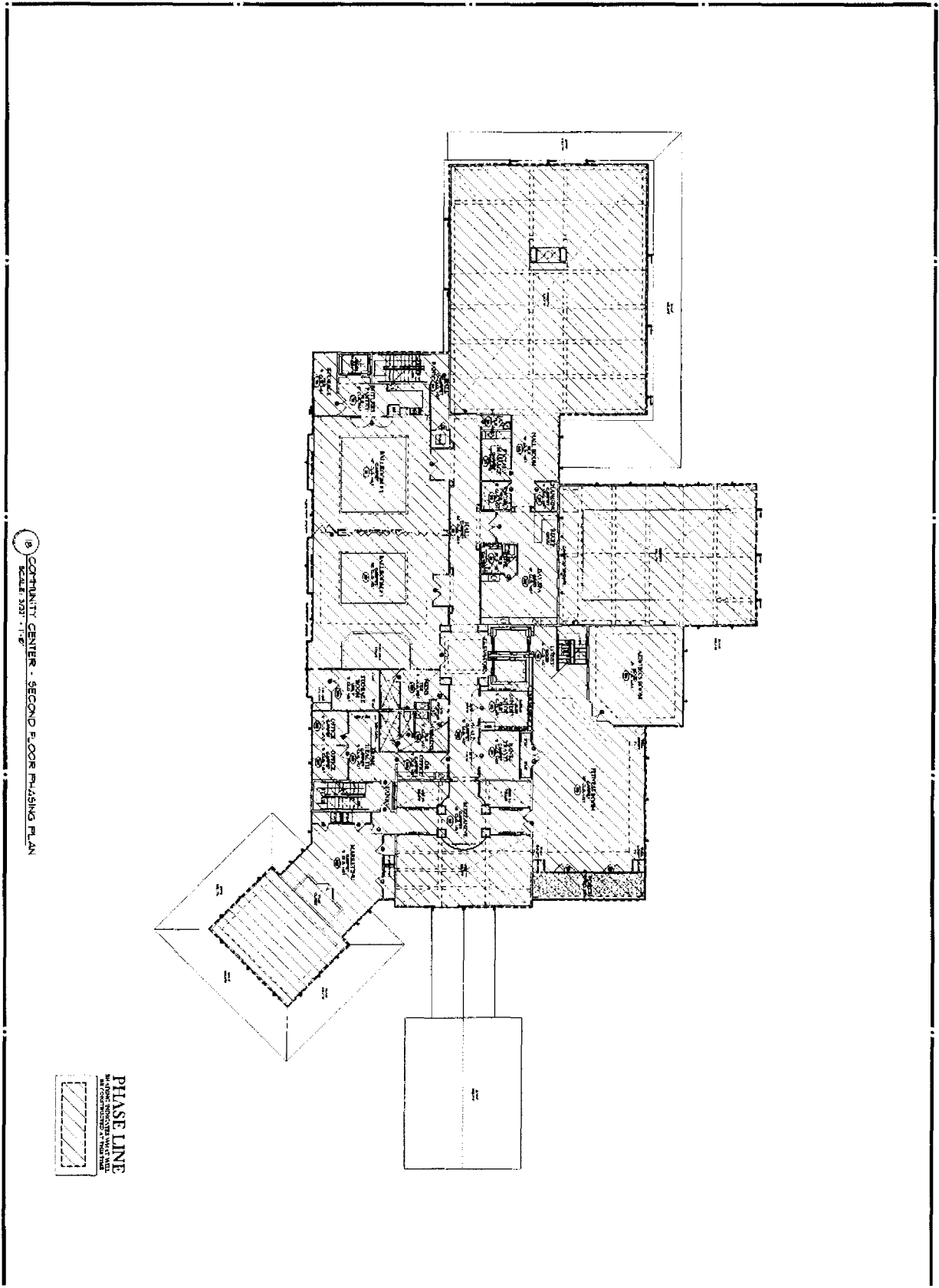
DESIGN DEVELOPMENT SET

PHASE LINE
 NOT TO BE USED FOR CONSTRUCTION
 1/8" = 1'-0"

NO.	DATE	DESCRIPTION
1	11/20/18	ISSUED FOR PERMIT
2	12/10/18	ISSUED FOR CONSTRUCTION
3	1/10/19	ISSUED FOR CONSTRUCTION
4	1/10/19	ISSUED FOR CONSTRUCTION
5	1/10/19	ISSUED FOR CONSTRUCTION
6	1/10/19	ISSUED FOR CONSTRUCTION
7	1/10/19	ISSUED FOR CONSTRUCTION
8	1/10/19	ISSUED FOR CONSTRUCTION
9	1/10/19	ISSUED FOR CONSTRUCTION
10	1/10/19	ISSUED FOR CONSTRUCTION
11	1/10/19	ISSUED FOR CONSTRUCTION
12	1/10/19	ISSUED FOR CONSTRUCTION
13	1/10/19	ISSUED FOR CONSTRUCTION
14	1/10/19	ISSUED FOR CONSTRUCTION
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96	1/10/19	ISSUED FOR CONSTRUCTION
97	1/10/19	ISSUED FOR CONSTRUCTION
98	1/10/19	ISSUED FOR CONSTRUCTION
99	1/10/19	ISSUED FOR CONSTRUCTION
100	1/10/19	ISSUED FOR CONSTRUCTION

Collier | Tolson | French
 ARCHITECTS
 2300 State Highway 801, Suite 100 • Southlake, Texas 76082
 TEL: 940.485.1100
 FAX: 940.485.1101
 WWW: COLLIERTOLSONFRENCH.COM

WATERMERE AT SOUTHLAKE
 COMMUNITY CENTER
 SOUTHLAKE, TEXAS



(B) COMMUNITY CENTER - SECOND FLOOR PHASING PLAN
 SCALE: 3/32" = 1'-0"

DATE	11/11/10
BY	AS
CHECKED	AS
SCALE	AS SHOWN
PROJECT	COMMUNITY CENTER
SHEET	11208



Gatier | Talbot | French
 ARCHITECTS
 2226 Green Highway #101, Dallas, TX 75244
 972.382.1100

WATERMERE AT SOUTHLAKE
 SOUTHLAKE, TEXAS

EXHIBIT A-5 Parking Space and Storage Unit Assignments

Reference Article II, Section 2.04

<i>Tower Unit</i>	<i>Garage</i>	<i>Car Port</i>	<i>Storage</i>
101	23		
102	37		3-B
103	35		
104	30		
105	39		
106	49		
107	7		2-H
108	44		
109		60	
201		70	
202	31		3-J
203	29		
204		69	
205	25		2-D
206	24		4-G
207	22		2-A
208	17		Gar1-E
209	28		
210			
211	5		2-B
212		57	
213	8		2-C
214	4		
215	2		2-F
216	3		
217	50		3-H
218		66	4-H
219	42		3-F
220	9		2-G
221	54		
222			
301		76	
302	20		
303		71	
304	27		
305	19		4-I
306			

<i>Tower Unit</i>	<i>Garage</i>	<i>Car Port</i>	<i>Storage</i>
307	21		
308	32 & 33		3-E
309		72 & 73	3-D
310	55		
311	46		
312			3-C
313	45		
314	38		
315	13		3-G
316	47		
317	10		
318	43		3-A
319	16		
320	11		
321	51		
322	48		3-I
401	40		
402	34		4-A
403	26	75	4-B & 4-D
404		74	Gar 1-B
405	14 & 15		4-F & 4-J
406		67	
407		56	
408	41		
409		63	
410	18		4-C
411	36		
412		62	
413		64	
414		58	
415	1		
416		65	
417	52		
418		68	
419	6	59	2-E
420	12		
421		61	
422	53		

EXHIBIT "C"

**BYLAWS
OF
WATERMERE AT SOUTHLAKE CONDOMINIUM
ASSOCIATION**

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BYLAWS
OF
WATERMERE AT SOUTHLAKE CONDOMINIUM ASSOCIATION, INC.

Article I

Name, Principal Office and Definitions

Section 1.1. Name. The name of the Association shall be **Watermere at Southlake Condominium Association, Inc.** (hereinafter sometimes referred to as the "Association").

Section 1.2. Principal Office. The principal office of the Association in the State of Texas shall be located in Tarrant County.

Section 1.3. Definitions. The words used in these Bylaws shall be given their normal commonly understood definitions. Capitalized terms shall have the same meaning as set forth in the **First Amended and Restated Declaration and Master Deed for Watermere at Southlake Condominiums** (said Declaration, as amended, renewed or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), unless the context shall otherwise require.

Article II

Association: Membership, Meetings, Quorum, Voting, Proxies

Section 2.1. Membership. The Association shall have one class of membership, as more fully set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

Section 2.2. Place of Meetings. Meetings of the Members of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board either within the Condominium or as convenient thereto as possible and practical.

Section 2.3. Annual Meetings of the Members of the Association. Regular annual meetings of the Members of the Association shall be set by the Board so as to occur during the month of January of each year on a date and at a time set by the Board.

Section 2.4. Special Meetings of the Members of the Association. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Members of the Association if so directed by resolution of a majority of a quorum of the Board or upon a petition signed by Members representing at least twenty percent (20%) of the total votes in the Association.

Section 2.5. Notice of Annual or Special Meetings of the Members of the Association. Written or printed notice stating the place, day and hour of any meeting of the Members of the Association shall be delivered by or at the direction of the President or the Secretary, either personally, by facsimile transmission, by electronic mail, by mail, or a combination thereof, to each Member entitled to vote at such meeting not less than ten (10) nor more than sixty (60) days before the date of such meeting.

In the case of a special meeting of the Members of the Association or when required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid. Notice transmitted by facsimile or electronic mail is considered to be given when the facsimile or electronic mail is transmitted to a facsimile number or an electronic mail address provided by the person of the Association.

Section 2.6. Waiver of Notice. Waiver of notice of a meeting of the Members of the Association shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members of the Association, either before or

after such meeting. Attendance at a meeting by a Member of the Association or alternate shall be deemed waiver by such Member of notice of the time, date and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting of the Members of the Association also shall be deemed waiver of notice of all business transacted unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

Section 2.7. Adjournment of Meetings of the Members of the Association. If any meeting of the Members of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, either in person or by alternate, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting, or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

The Members present at a duly called or held meeting of the Association at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that Members representing at least ten percent (10%) of the total votes in the Association remain in attendance and provided further that any action taken is approved by at least a majority of the votes required to constitute a quorum.

Section 2.8. Voting. The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein.

Section 2.9. Proxies. At all meetings of Members of the Association, each Member may vote in person or by proxy. All proxies shall be in writing, dated and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of such Member's Unit, or upon receipt of notice by the Secretary or person presiding over the meeting of the death or judicially declared incompetence of a Member, or of written revocation, or upon the expiration of twelve (12) months from the date of the proxy unless the proxy specifies that it is to remain effective for a shorter or longer period of time. A proxy is void if it is not dated or if it purports to be revocable without notice.

Section 2.10. Majority. As used in these Bylaws, the term "majority" shall mean those votes, owners or other group, as the context may indicate, totaling more than fifty percent (50%) of the total number.

Section 2.11. Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of Members representing at least twenty percent (20%) of the total votes in the Association, shall constitute a quorum at all meetings of the Members of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

Section 2.12. Conduct of Meetings of the Members of the Association. The President shall preside over all meetings of the Members of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

Section 2.13. Action Without a Meeting. Any action required by law to be taken at a meeting of the Members of the Association, or any action which may be taken at a meeting of the Members of the Association, may be taken without a meeting if written consent setting forth the action so taken is signed by a sufficient number of Members as would be necessary to take that action at a meeting at which all of the Members were present and voted, and any such consent shall have the same force and effect as a unanimous vote of the Members. Each written consent shall bear the date of the signature of each Member who signs the consent.

Article III

Board of Directors; Number, Powers, Meetings

A. Composition and Selection.

Section 3.1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one vote. The directors shall be Members; provided, however, no Member and his or her spouse may serve on the Board at the same time. In the case of a Member which is not a natural person, the person designated in writing to the Secretary of the Association as the representative of such Member shall be eligible to serve as a director; provided, no such

Member may have more than one representative on the Board at the same time, the Association as the representative of such Member shall be eligible to serve as a director.

Section 3.2. Intentionally Left Blank

Section 3.3. Number of Directors. The number of directors in the Association shall not be less than three (3) nor more than five (5).

Section 3.4. Nomination of Directors and Election Procedures.

(a) Nominations. Nominations for election to the Board shall be made by a Nominating Committee. Nominations shall not be accepted from the floor. The Nominating Committee, if any, shall consist of a chairman, who shall be a director, and two (2) or more Members. The Nominating Committee, if any, shall be appointed by the Board not less than thirty (30) days prior to each annual meeting of the Members to serve a term of one (1) year or until their successors are appointed, and such appointment shall be announced at each such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but in no event less than the number of positions to be filled. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes. The Board may adopt rules governing the procedures for the nomination of directors. In order to qualify, candidates nominated must have been a resident for at least one year by the date of the election.

(b) Election Procedures. Each Member may cast the total number of votes assigned to the Units which he represents for each vacancy to be filled. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled and who receive the greatest percentage of votes shall be elected. The directors elected by the Members shall hold office until their respective successors have been elected and qualified. Directors may be elected to serve any number of consecutive terms.

Section 3.5. Election of Directors and Term of Office. The Board of Directors at a special meeting of the Members of the Association shall hold an election in November of each year for the director positions board members whose term are expiring. The term of office for directors elected at said special meeting will commence on January 1st of the following year. Directors elected will each serve a two (2) year term or until their successors have been elected and qualified. There is no limit on the number of terms a duly elected board member may serve.

Section 3.6. Removal of Directors; Vacancies. Any director may be removed, with or without cause, at a special meeting of the Members of the Association, by the vote of the Members holding a Majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall then and there be elected by the Members to fill the vacancy for the remainder of the term of such director.

Any director who has three (3) consecutive un-excused absences from Board meetings or who is delinquent in the payment of any assessment or other charge due the Association for more than thirty (30) days, may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term.

In the event of the death, disability or resignation of a director, a vacancy may be declared by the Board, and it may appoint a successor to serve for the remainder of the term of such director. Alternatively, the Board may call for an election for the purpose of electing a successor to fill any such vacancy on the Board. In such case, the Members shall be entitled to elect a successor to serve for the remainder of the term of such director.

B. Meetings of the Board of Directors.

Section 3.7. Organizational Meetings of the Board. The first meeting of the Board following the election held in November as provided in Section 3.5 above of the Members shall be held within forty-five (45) days thereafter at such time and place as shall be fixed by the Board.

Section 3.8. Regular Meetings of the Board. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least one (1) such meeting shall be held during each fiscal quarter. Notice of the time and place of the meeting shall be communicated to directors no less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 3.9. Special Meetings of the Board. Special meetings of the Board shall be held when called by written notice signed by the President of the Association or by any two (2) directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. A special meeting may also be called by petition of Members representing at least twenty percent (20%) of the total votes in the Association.

Section 3.10. Notice of Board Meetings. Notice of regular or special meetings of the Board shall be given to each director by one of the following methods: (i) by personal delivery; (ii) written notice by first-class mail, postage prepaid; (iii) by telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (iv) by electronic mail, video conferencing, facsimile, computer, fiber optics or other communication device. All such notices shall be given at the director's telephone number, facsimile number, electronic mail address, or sent to the director's address as shown on the records of the Association. Notices sent by first-class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone or other device shall be delivered or transmitted at least seventy-two (72) hours before the time set for the meeting.

Section 3.11. Waiver of Notice. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (i) a quorum is present, and (ii) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 3.12. Quorum of Board. At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the directors present at a meeting at which a quorum is present shall constitute the decision of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have transacted at the meeting originally called may be transacted without further notice.

Section 3.13. Compensation. No director shall receive any compensation from the Association for acting as such unless approved by Members representing a Majority of the total votes in the Association at a regular or special meeting of the Association; provided any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors.

Section 3.14. Conduct of Board Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of meetings of the Board, recording therein all resolutions adopted by the Board and all transactions and proceedings occurring at such meetings. Notwithstanding the provisions of Section 82.108(c) of TUCA, any meeting (including meetings involving the matters specified in Section 82.108(c)(1)(C) of TUCA) may be held by means of telephone or similar communications equipment by means of which all directors participating in the meeting can hear each other, provided that notice of the meeting has been given in accordance with Section 3.10 of this Article.

Section 3.15. Open Meetings. All meetings of the Board shall be open to all Members, but Members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board and reconvene in executive session, excluding Members, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, etc., or matters that are to remain confidential by request of the affected parties and agreement of the Board. The general nature of any business to be considered in executive session must first be announced at the open meeting.

Section 3.16. Action Without a Formal Meeting. Notwithstanding the provisions of Section 82.108(c) of TUCA, any action to be taken at a meeting of the directors (including meetings involving the matters specified in Section 82.108(c)(2)(A) of TUCA) or any action that may be taken at a meeting of the directors 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 directors as would be necessary to take that action at a meeting at which all of the directors were present and voted, and such consent shall have the same force and effect as a unanimous vote. A record of any action taken by written consent of the Board shall be filed with the minutes of Board meetings.

C. Powers and Duties.

Section 3.17. Powers. The Board shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do or cause to be done all acts and things as are not by the Condominium Instruments directed to be done and exercised exclusively by the Members or the membership generally.

The Board shall delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the Club Operator, if any, which might arise between meetings of the Board.

In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board shall have the power to establish policies relating to, and shall be responsible for, performing or causing to be performed, the following, in way of explanation, but not limitation:

- (a) preparation and adoption, in accordance with Article V of the Declaration, of annual budgets in which there shall be established the contribution of each Owner to the Common Expenses;
- (b) making assessments to defray the Common Expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the Annual Assessment; provided, unless otherwise determined by the Board, the Annual Assessment for each Unit's proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for said month;
- (c) providing for the operation, care, upkeep and maintenance of all of the Area of Common Responsibility;
- (d) designating, hiring and dismissing the personnel necessary for the operation of the Association and the maintenance, operation, repair and replacement of its property and the Area of Common Responsibility and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties;
- (e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve and using the proceeds to operate the Association; provided, any reserve fund may be deposited in the directors' best business judgment, in depositories other than banks;
- (f) making and amending rules and regulations;
- (g) opening of bank accounts on behalf of the Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions and improvements to or alterations of the Area of Common Responsibility in accordance with the other provisions of the Condominium Instruments after damage or destruction by fire or other casualty;
- (i) enforcing by legal means the provisions of the Condominium Instruments and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;
- (j) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;
- (k) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;
- (l) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;
- (m) making available to any prospective purchaser of a Unit, any Owner of a Unit, any First Mortgagee, and the holders, insurers and guarantors of a First Mortgage on any Unit, current copies of the Condominium Instruments and all other books, records and financial statements of the Association; and
- (n) permitting utility suppliers to use portions of the Common Elements reasonably necessary to the ongoing operation of the Condominium.

Section 3.18. Management. The Board may employ for the Association a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to the Club Operator, subject to the Board's supervision, all of the powers granted to the Board by these Bylaws, other than policy-making authority or the duties set forth in Subparagraph (i) of Section 3.17 of this Article.

Section 3.19. Accounts and Reports. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

- (a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;
- (b) accounting and controls should conform to generally accepted accounting principles;
- (c) cash accounts of the Association shall not be commingled with any other accounts;
- (d) no remuneration shall be accepted by the Managing Agent from vendors, independent contractors or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts or otherwise; anything of value received shall benefit the Association;
- (e) any financial or other interest which the Managing Agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board;
- (f) financial reports shall be prepared for the Association at least annually containing:
 - (i) an income statement reflecting all income and expense activity for the preceding period on an accrual basis;
 - (ii) a statement reflecting all cash receipts and disbursements for the preceding period;
 - (iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;
 - (iv) a balance sheet as of the last day of the preceding period; and
 - (v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent (any assessment or installment thereof shall be considered to be delinquent on the tenth (10th) day following the due date).
- (g) an annual report consisting of at least the following shall be made available to all Members within one hundred twenty (120) days after the close of the fiscal year: (i) a balance sheet; and (ii) an operating (income) statement. The annual report referred to above shall be prepared on an audited basis by an independent public accountant.

Section 3.20. Rights of the Association. With respect to the Common Elements, and in accordance with the Articles of Incorporation and the Declaration, the Association shall have the right to contract with any person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational or other agreements with trusts, condominiums, cooperatives and other owners or residents associations, both within and without the Condominium. Such agreements shall require the consent of a majority of the total number of directors of the Association.

Section 3.21. Enforcement. The Association shall have the power to impose sanctions for violations of the Condominium Instruments and to charge an Owner for property damage for which the Owner is liable. The failure of the Board to enforce any provision of the Condominium Instruments shall not be deemed a waiver of the right of the Board to do so thereafter or of the right to enforce any other violation.

- (a) Notice. Prior to the imposition of any sanction under the Condominium Instruments or the assessment of any property damage charge, the Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation or property damage, (ii) the proposed sanction to be imposed, including the amount of any proposed fine or damage charge (iii) a period of not less than thirty (30) days within which the alleged violator may present a written request to the Board, for a hearing to contest the sanction or damage charge; (iv) a reasonable time, by a specified date, in which the Owner may avoid the sanction by curing the violation; provided that no such opportunity to cure must be given if the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding 6 months, and (v) a statement that the proposed sanction shall be imposed as contained in the notice unless the violation is cured or a challenge is begun within thirty (30) days of the notice.

(b) Hearing. If a hearing is requested within the allotted thirty (30) day period, the hearing shall be held before the Board in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the Person who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(c) Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Board may elect to enforce any provision of the Governing Documents by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking restrictions or rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the notice and hearing procedure set forth above. In any such action, to the maximum extent permissible, the Owner or Occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred. Any entry into a Unit or Limited Common Element for purposes of exercising this power of self-help shall not be deemed a trespass.

Article IV

Officers

Section 4.1. Officers. The officers of the Association shall be a President, 1st Vice President, 2nd Vice President, Secretary and Treasurer, to be elected from among the members of the Board. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board. The 1st Vice President shall serve as the President in the absence of the President. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 4.2. Election and Term of Office. The officers of the Association shall be elected annually by the Board at its first meeting in January of each year. Officers shall each serve a term of one-year or until their successors are elected and qualified.

Section 4.3. Removal and Vacancies. Any officer may be removed by the Board whenever in its judgment the best interests of the Association will be served thereby. A vacancy in any office arising because of death, resignation, removal or otherwise may be filled by the Board for the unexpired portion of the term.

Section 4.4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent or both.

Section 4.5. Resignation. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.6. Agreements, Contracts, Deeds, Leases, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board.

Section 4.7. Compensation. Compensation of officers shall be subject to the same limitations as compensation of directors under Section 3.13 hereof.

Article V

Committees

Section 5.1. General Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Each committee shall cooperate in accordance with the terms of the resolution of the Board designating the committee or with rules adopted by the Board.

Section 5.2. Chairman and Members The Committee Chairman and members will be selected by the Board and will rotate at least two (2) members off every year to allow for other Association members to participate on the committees.

Article VI

Miscellaneous

Section 6.1. Fiscal Year The fiscal year of the Association shall be set by resolution of the Board. In the absence of a resolution, the fiscal year shall be the calendar year.

Section 6.2. Parliamentary Rules Except as may be modified by Board resolution, *Robert's Rules of Order* (current edition) shall govern the conduct of Association proceedings when not in conflict with Texas law, the Articles of Incorporation, the Declaration, or these Bylaws.

Section 6.3. Conflicts If there are conflicts between the provisions of Texas law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of Texas law, the Declaration, the Articles of Incorporation and the Bylaws (in that order) shall prevail.

Section 6.4. Books and Records

- (a) Inspection by Members and Mortgagees. The Condominium Instruments, the membership register, books of account, financial statements, voting records, proxies, correspondence relating to any amendments to the Condominium Instruments and the minutes of meetings of the Members, the Board and committees, shall be maintained by the Association and be made available for inspection and copying by any holder, insurer or guarantor of a first mortgage on a Unit, Member of the Association, or by the duly appointed representative of any of the foregoing at any reasonable time at the office of the Association or at such other place within the Condominium as the Board shall prescribe.
- (b) Rules for Inspection. The Board shall adopt a policy for the inspection and production of the books and records of the Association in accordance with the applicable law.
- (c) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical facility comprising the Condominium. The right of inspection by a director includes the right to make extracts and a copy of relevant documents at the expense of the Association.
- (d) Required Information to Association For Records
 - (i). Not later than the 30th day after the date of acquiring an interest in a unit, the unit owner shall provide the Association with:
 - (a) The unit's owner's mailing address, telephone number, and driver's license number (if any).
 - (b) The name and address of the holder of any lien against the unit and any loan number.
 - (c) The name and telephone number of any person occupying the unit other than the unit owner.
 - (d) The name, address, and telephone number of any person managing the unit as agent of the unit owner.
 - (ii). A unit owner shall notify the Association not later than the 30th day after the date the owner has notice of a change in any information, as required, and shall provide the information on request by Association from time to time.

Section 6.5. Notices Unless otherwise provided in these Bylaws, all notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first-class postage prepaid:

- (a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Unit of such Member; or
- (b) if to the Association, the Board, or the Managing Agent, at the principal office of the Association or the Managing Agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

Section 6.6. Amendment

(a) Intentionally Left Blank.

(b) By Owners. These Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners representing at least fifty-one percent (51%) of the total votes in the Association. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Any amendment to be effective must be recorded in the County Clerk Official Records of Tarrant County, Texas.

If an Owner consents to any amendment to these Bylaws, it will be conclusively presumed that such Owner has the authority so to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

No meeting to consider or adopt an amendment to these Bylaws shall be held unless each Owner has been provided a document showing the specific amendment to be considered after the twentieth (20th) day but before the tenth (10th) day preceding the date of the meeting. The information is considered to have been given to an Owner on the date the information is personally delivered to the Owner, as shown by a receipt signed by the Owner, or on the date shown by the postmark on the information after it is deposited in the United States mail with a proper address and postage paid.

Exhibit D

Allocation of Percentage Interest

(Based on the Corrected Eleventh Supplement)

ALLOCATION OF PERCENTAGE INTERESTS

<u>UNIT</u>	<u>APPROXIMATE SQUARE FEET</u>	<u>PERCENTAGE INTEREST</u>
101	1272	0.4213%
102	2022	0.6697%
103	2022	0.6697%
104	1328	0.4398%
105	1328	0.4398%
106	1200	0.3975%
107	2022	0.6697%
108	2022	0.6697%
109	1391	0.4607%
201	1005	0.3329%
202	1612	0.5339%
203	1328	0.4398%
204	2022	0.6697%
205	2022	0.6697%
206	1328	0.4398%
207	1328	0.4398%
208	1637	0.5422%
209	1572	0.5207%
210	1805	0.5978%
211	1572	0.5207%
212	1572	0.5207%
213	1572	0.5207%
214	1572	0.5207%
215	1572	0.5207%
216	1805	0.5978%
217	1637	0.5422%
218	1005	0.3329%
219	1805	0.5978%
220	2022	0.6697%
221	2022	0.6697%
222	1200	0.3975%
301	1005	0.3329%
302	1612	0.5339%
303	1328	0.4398%
304	2022	0.6697%
305	2022	0.6697%
306	1328	0.4398%
307	1328	0.4398%

308	1637	0.5422%
309	1572	0.5207%
310	1805	0.5978%
311	1572	0.5207%
312	1572	0.5207%
313	1572	0.5207%
314	1572	0.5207%
315	1572	0.5207%
316	1805	0.5978%
317	1637	0.5422%
318	1005	0.3329%
319	1805	0.5978%
320	2022	0.6697%
321	2022	0.6697%
322	1200	0.3975%
401	1005	0.3329%
402	1612	0.5339%
403	1328	0.4398%
404	2022	0.6697%
405	2022	0.6697%
406	1328	0.4398%
407	1328	0.4398%
408	1637	0.5422%
409	1572	0.5207%
410	1805	0.5978%
411	1572	0.5207%
412	1572	0.5207%
413	1572	0.5207%
414	1572	0.5207%
415	1572	0.5207%
416	1805	0.5978%
417	1637	0.5422%
418	1005	0.3329%
419	1805	0.5978%
420	2022	0.6697%
421	2022	0.6697%
422	1200	0.3975%
300 (Villa)	2823	0.9350%
302 (Villa)	2952	0.9777%
304 (Villa)	2580	0.8545%
306 (Villa)	2580	0.8545%
308 (Villa)	2952	0.9777%
310 (Villa)	2685	0.8893%
312 (Villa)	2089	0.6919%
314 (Villa)	2542	0.8419%

316 (Villa)	2605	0.8628%
318 (Villa)	2605	0.8628%
320 (Villa)	2605	0.8628%
322 (Villa)	2605	0.8628%
324 (Villa)	2089	0.6919%
325 (Villa)	2852	0.9446%
326 (Villa)	2685	0.8893%
327 (Villa)	2976	0.9857%
328 (Villa)	2952	0.9777%
329 (Villa)	2945	0.9754%
330 (Villa)	2580	0.8545%
331 (Villa)	2945	0.9754%
332 (Villa)	3016	0.9989%
333 (Villa)	2976	0.9857%
334 (Villa)	2580	0.8545%
335 (Villa)	2852	0.9446%
336 (Villa)	2952	0.9777%
338 (Villa)	2685	0.8893%
339 (Villa)	2414	0.7995%
340 (Villa)	2089	0.6919%
341 (Villa)	2651	0.8780%
343 (Villa)	2414	0.7846%
349 (Villa)	2118	0.7015%
351 (Villa)	2651	0.8780%
353 (Villa)	2382	0.7889%
355 (Villa)	2382	0.7889%
357 (Villa)	2651	0.8780%
359 (Villa)	2382	0.7889%
365 (Villa)	2127	0.7045%
367 (Villa)	2661	0.8814%
369 (Villa)	2306	0.7638%
371 (Villa)	2306	0.7638%
373 (Villa)	2661	0.8814%
375 (Villa)	2127	0.7045%
381 (Villa)	2089	0.6919%
383 (Villa)	2965	0.9820%
385 (Villa)	2062	0.6830%
387 (Villa)	2416	0.8002%
389 (Villa)	2127	0.7045%
393 (Villa)	2127	0.7045%
395 (Villa)	2127	0.7045%
401 (Villa)	2127	0.7045%
403 (Villa)	2661	0.8814%
405 (Villa)	2306	0.7638%
407 (Villa)	2382	0.7889%

409 (Villa)	2651	0.8780%
411 (Villa)	2414	0.7995%
417 (Villa)	2414	0.7995%
419 (Villa)	2651	0.8780%
421 (Villa)	2382	0.7889%
423 (Villa)	2382	0.7889%
425 (Villa)	2651	0.8780%
427 (Villa)	2118	0.7015%
431 (Villa)	2414	0.7995%
433 (Villa)	2350	0.7783%
435 (Villa)	2414	0.7995%
441 (Villa)	2127	0.7045%
443 (Villa)	2661	0.8814%
445 (Villa)	2306	0.7638%
447 (Villa)	2306	0.7638%
449 (Villa)	2350	0.7783%
451 (Villa)	2127	0.7045%
455 (Villa)	2414	0.7995%
457 (Villa)	2350	0.7783%
459 (Villa)	2414	0.7995%
148 Units	301922	100%

EXHIBIT "E"

**ARTICLES OF INCORPORATION
OF
WATERMERE AT SOUTHLAKE CONDOMINIUM
ASSOCIATION, INC.**

ARTICLES OF INCORPORATION

OF

WATERMERE AT SOUTHLAKE CONDOMINIUM ASSOCIATION, INC.

I, the undersigned, being of the age of eighteen years or more, acting as incorporator of a corporation under the Texas Non-Profit Corporation Act, Tex. Civ. Stat. Ann. art. 1396-1.01, et seq., as it may be amended, do hereby adopt the following Articles of Incorporation for such corporation:

Article I. Name. The name of the corporation is Watermere at Southlake Condominium Association, Inc. ("Corporation" or "Association").

Article 2. Duration. The Corporation shall have perpetual duration.

Article 3. Applicable Statute. The Corporation is a non-profit corporation organized pursuant to the provisions of the Texas Non-Profit Corporation Act, Article 1396-1.01 et seq.

Article 4. Purposes and Powers. The Corporation does not contemplate pecuniary gain or benefit, direct or indirect, to its members. In way of explanation and not of limitation, the purposes for which it is formed are:

(a) to be and constitute the Association to which reference is made in the Declaration and Master Deed for Watermere at Southlake Condominiums recorded in the Office of the County Clerk of Tarrant County, Texas, as it may be amended from time to time (the "Declaration"), to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as specified therein, in the Bylaws and as provided by law; and

(b) to provide an entity for the furtherance of the interests of the owners of property subject to the Declaration.

In furtherance of its purposes, the Corporation shall have the following powers, which, unless indicated otherwise by the Declaration or Bylaws, may be exercised by the Board of Directors:

(a) all of the powers conferred upon non-profit corporations by common law and the statutes of the State of Texas, including the Texas Uniform Condominium Act, in effect from time to time;

(b) all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in these Articles, the Bylaws or the Declaration, including, without limitation, the following:

(i) to fix, levy, and collect assessments and other charges to be levied against the property subject to the Declaration and to enforce payment thereof by any lawful means;

(ii) to manage, control, operate, maintain, preserve, repair and improve the common area and facilities, and any property subsequently acquired by the Corporation, or any property owned by another, for which the Corporation, by rule, regulation, Declaration or contract, has a right or duty to provide such services;

(iii) to enforce covenants, conditions or restrictions affecting any property to the extent the Association may be authorized to do so under the Declaration or Bylaws;

(iv) to engage in activities which will actively foster, promote and advance the common interests of all owners of property subject to the Declaration;

(v) to buy or otherwise acquire, sell or otherwise dispose of, mortgage, or otherwise encumber, exchange, lease, hold, use, operate and otherwise deal in and with real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the Corporation, which shall include the power to foreclose its lien on any property subject to the Declaration by judicial or non-judicial means;

(vi) to borrow money for any purpose subject to such limitations as may be contained in the Bylaws;

(vii) to enter into, make, perform and enforce contracts of every kind and description and to do all other acts necessary, appropriate or advisable in carrying out any purpose of the Association, with or in concert with any other association, corporation or other entity or agency, public or private;

(viii) to act as agent, trustee or other representative of other corporations, firms or individuals and, as such, to advance the business or ownership interests in such corporations, firms or individuals;

(ix) to adopt, alter and amend or repeal such Bylaws as may be necessary or desirable for the proper management of the affairs of the Association; provided, however, such Bylaws may not be inconsistent with or contrary to any provisions of the Declaration; and

(x) to provide or contract for services benefiting the property subject to the Declaration, including, without limitation, garbage removal and any and all supplemental municipal services as may be necessary or desirable.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law; provided, none of the objects or purposes herein set out shall be construed to authorize the Corporation to do any act in violation of the Texas Non-Profit Corporation Act or the Texas Uniform Condominium Act, and all such objects or purposes are subject to said Acts.

The powers specified in each of the paragraphs of this Article 4 are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provision of this Article 4.

Article 5. Definitions. All capitalized terms used in these Articles of Incorporation shall be defined in the same manner as defined in the Declaration, which definitions are incorporated herein by this reference.

Article 6. Membership. The Corporation shall be a membership corporation without certificates or shares of stock. All Owners (as defined in the Declaration), by virtue of their ownership of Units in the Condominium, are members of the Association. The members shall be entitled to a vote in accordance with the Declaration and Bylaws.

Article 7. Board of Directors. The business and affairs of the Corporation shall be conducted, managed and controlled by a Board of Directors (the "Board"). The Board may delegate such operating authority to such companies, individuals or committees as it, in its discretion, may determine. The Board shall consist of no less than three (3) and no more than five (5) members. The initial Board shall consist of the following three (3) members:

<u>Name</u>	<u>Address</u>
Chuck Hammonds	6060 North Central Expressway, Suite 560 Dallas, Texas 75206
Richard Simmons	6060 North Central Expressway, Suite 560 Dallas, Texas 75206
Scott Simmons	6060 North Central Expressway, Suite 560 Dallas, Texas 75206

The method of election, removal and filling of vacancies, and the term of office and number of directors shall be as set forth in the Bylaws.

Article 8. Liability of Directors. To the fullest extent permitted by Texas statutes, as the same exist or as they may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits broader limitation than permitted prior to such amendment), a director of the Corporation shall not be liable to the Corporation for monetary damages for an act or omission in the director's capacity as a director. Any repeal or amendment of this Article 8 by the Corporation shall be prospective only and shall not adversely affect any limitation on the personal liability of a director of the Corporation existing at the time of such repeal or amendment.

Article 9. Dissolution. The Corporation may be dissolved only as provided in the Declaration, Bylaws, and by the laws of the State of Texas. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this

Association was created, or shall be granted, conveyed and assigned to a non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

Article 10. Amendments. Subject to the provisions of the Texas Non-Profit Corporation Act, these Articles of Incorporation may be amended with the approval of the Board and seventy-five percent (75%) of the total votes in the Association. No amendment shall conflict with the Declaration nor shall any amendment be effective to impair or dilute any rights of members that are granted by the Declaration.

Article 11. Indemnification. Subject to the limitations of Article 1396-2.22.A of the Texas Non-Profit Corporation Act, the Association shall indemnify a person who was, or is threatened to be a named defendant or respondent in a proceeding because the person is or was an officer or director of the Association. Additionally, the Association may indemnify a person who is or was an employee, trustee, agent or attorney of the Association, against any liability asserted against him and incurred by him in such capacity and arising out of his status as such a person.

Article 12. Action Without a Meeting. Any action required by the Texas Non-Profit Corporation Act to be taken at a meeting of the members or directors of the Corporation or any action that may be taken at a meeting of the members or directors or of any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, is 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 13. Registered Agent and Office. The initial registered office of the Corporation is 3811 Turtle Creek Boulevard, Suite 1050, Dallas, Texas 75219, and the initial registered agent at such address is Lance E. Williams.

Article 14. Incorporators. The name and address of the incorporator is as follows:

Lance E. Williams
Riddle & Williams, P.C.
3811 Turtle Creek Boulevard, Suite 1050
Dallas, Texas 75219

IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of Incorporation this ___ day of March, 2007.

Lance E. Williams

EXHIBIT "F"

RULES AND REGULATIONS

WATERMERE AT SOUTHLAKE CONDOMINIUMS

The following rules and regulations (the "Rules") are promulgated pursuant to Article XI, Section 11.02 of the Declaration and Master Deed of Watermere at Southlake Condominiums, as the same may be amended, renewed or extended from time to time by the Board, and apply to all Unit Owners, tenants, occupants, Residents and guests or invitees of Unit Owners of Watermere at Southlake Condominiums.

For the convenience of the Owners and Residents, these Rules restate some of the covenants and restrictions contained in the Declaration. Most of these Rules, however, are in addition to the restrictions found in the Declaration. Words and phrases defined in the Declaration shall have the same meaning when used in these Rules. In the event of a conflict between governing documents, the hierarchy of authority shall be as follows: Declaration (highest), Bylaws and these Rules (lowest).

ARTICLE I

COMPLIANCE

Section 1.01 Compliance. Each Owner shall comply with the provisions of these Rules, the Declaration, the Bylaws and community policies promulgated by the Board to supplement these Rules and any of these may be revised from time to time (collectively, the "governing documents"). Each Owner, additionally, shall be responsible for compliance with the governing documents by the Residents of his or her unit and their respective family, invitees, tenants, agents, employees or contractors.

Section 1.02 Additional Rules. Each Owner and Resident shall comply with all rules and signs posted from time to time on the condominium by the Association, including those regulating the use of recreational facilities. Such posted rules are incorporated in these Rules by reference. Each Owner and Resident shall comply with notices communicated by the Association from time to time, in the nature of seasonal or temporary rules, or notice of a change affecting use of the condominium. Such temporary rules are incorporated in these Rules by reference.

Section 1.03 Waiver. Certain circumstances may warrant waiver or variance of these Rules. An Owner must make written application to the Board for such waiver or variance. If the Board deems the waiver or variance warranted, the Board may condition its approval, which must be in writing to be effective.

ARTICLE II

OBLIGATION OF OWNERS AND RESIDENTS

Section 2.01 Safety. Each Resident is solely responsible for his or her own safety and for the safety, well-being and supervision of his or her guests and any person on the condominium to whom the Resident has a duty of care, control or custody. Anyone using recreation areas does so at his or her own risk, and the Association assumes no liability or responsibility for any injury or death occurring as a result of such use. Set forth below are a few suggestions:

- Do not allow cars to tail gate behind you when entering the parking garage or an attached garage.
- Do not allow access to people you do not know into the pedestrian gates or tele-entry gates.
- Do not give pedestrian entry gate cards or remotes to anyone. If you lose your card or remote, you should report the loss to the office so that we can deprogram the device.
- Do not prop the pedestrian gates open. If you find one left open, you should close it. Report any malfunctioning gates to the office as quickly as possible.
- If you observe **any suspicious activity, cars or persons, contact the police at 911 immediately.**
- Don't leave exposed items in your car, such as cassette tapes, CDs, wrapped packages, computers, briefcases or purses. Glove boxes and trunks are not safe hiding places.
- Don't leave your keys in the car and do not leave your car unlocked.

Section 2.02 Damage. Each Owner is responsible for any loss or damage to his or her Unit, other Units, the personal property of other Residents or their guests, or to the common elements and improvements, if such loss or damage is caused by the Owner or his or her invitees, tenants, agents, employees or contractors.

Section 2.03 Association Does Not Insure. Each Resident is solely responsible for insuring his or her personal property in the Unit and on the condominium, including his or her furnishings and automobile(s). Personal property placed in or on the

condominium shall be solely at the risk of the Resident or the Owner of such personal property. **The Association urges Owners and Residents to purchase insurance on their personal belongings.**

Section 2.04 Risk Management. No Resident shall permit anything to be done or kept in his or her Unit or the Common Elements which will result in the cancellation of insurance on any Unit, or any part of the Common Elements, or which may be in violation of any law.

Section 2.05 Reimbursement for Enforcement. An Owner shall promptly reimburse the Association for any expenses incurred by the Association in enforcing the governing documents against the Owner or his or her invitees, tenants, agents, employees or contractors.

Section 2.06 Reimbursement for Damage. An Owner shall promptly reimburse the Association for the cost of damage to the condominium caused by the negligent or willful conduct of the Owner or his or her invitees, tenants, agents, employees or contractors.

ARTICLE III

OCCUPANCY STANDARDS

Section 3.01 Numbers. A Unit may be occupied only by Qualifying Residents. No more than two (2) Persons per bedroom may occupy a Unit.

Section 3.02 Danger. The Association may prohibit occupancy by a person who constitutes a direct threat to the health or safety of other persons, or whose occupancy would result in substantial physical damage to the property of others.

Section 3.03 Occupancy Defined. Occupancy of a Unit, for purposes of these Rules, shall mean occupancy of at least 30 continuous days or 60 non-continuous days in any 12-month period.

ARTICLE IV

GENERAL USE AND MAINTENANCE OF UNIT

Section 4.01 Annoyance. No Unit may be used in any way that (i) may reasonably be considered annoying to Residents of neighboring Units, (ii) may be calculated to reduce the desirability of the condominium as a residential community, (iii) may endanger the health or safety of other Residents, or (iv) may violate any law or any provision of the governing documents.

Section 4.02 Maintenance. Each Owner, at his or her sole cost and expense, shall maintain his or her Unit and keep it in good repair, including the inner finished surfaces of the Unit's perimeter walls, floors and ceilings. Each Unit was originally furnished with a smoke detector.

Section 4.03 Balcony; Walkways. Each Resident shall keep his or her Unit and patio or balcony in a good state of cleanliness, taking care that the cleaning of his or her balcony does not annoy or inconvenience other Residents. A balcony or walkway may not be enclosed or used for storage purposes. The structure or appearance of any walkway or balcony area shall not be modified or altered in any way, except as may be approved by the Board of Directors. The exterior door, walkway or balcony appurtenant to a Unit may be decorated with wreaths, potted plants, hanging plants and other items pre-approved by the Board so long as said items are maintained in a clean and neat condition and do not constitute a nuisance or threaten the security or safety of other Residents of the Property. Bird houses, bird feeders and bird baths are not permitted to be placed on the balconies or exterior portions of any Unit. Dead plants or empty flower pots are not permitted on the balconies, walkways or flower boxes. Bicycles may not be stored or kept on any balcony or walkway. All items placed in such areas shall be the responsibility of the Resident to maintain, repair and replace. If any walkway or balcony appurtenant to a Unit becomes cluttered or unsightly in any manner, the Owner and/or Resident shall be given notice of such fact by the Board and shall be required to correct such condition within five (5) days of the date of notice and if he or she fails to do so, then the Board may impose a fine and correct such discrepancy (including the removal of any unsightly items) and/or repair or refurbish the walkway or balcony at the Owner's expense.

Section 4.04 Glass. Repair or replacement of broken or cracked glass to the exterior doors or the windows of a Unit shall be performed by the Unit Owner.

Section 4.05 Air Conditioning Equipment. Each Owner, at his or her sole cost and expense, shall maintain, repair and replace the heating and cooling equipment/system serving exclusively his or her Unit.

Section 4.06 Combustibles. Residents shall not store or maintain anywhere on the condominium (including within a unit) explosives or materials capable of spontaneous combustion.

Section 4.07 Barbecue Grills. No outside grills are permitted on the balconies or patios of the Tower Units. If the use of outside grills is used on a Villa patio, open fires must be supervised at all times, gas tanks must be properly used and maintained, no flames may be higher than the cooking surface and a grill may not be used near combustible materials.

Section 4.08 Report Malfunctions. Residents shall immediately report to the Board his or her discovery of any leak, break or malfunction in any portion of his or her Unit or the adjacent Common Elements for which the Association has a maintenance responsibility. The failure to promptly report a problem may be deemed negligence by the Resident, who may be liable for any additional damage caused by the delay.

Section 4.09 Utilities. Each Resident shall endeavor to conserve the use of any utilities which may be furnished through the Association.

Section 4.10 Frozen Water Pipes. It is the duty of every Owner and Resident to protect water lines within their Unit from freezing during winter months. Between December 1 and March 25 of any year, no Unit may be left unheated. During periods of anticipated below-freezing temperatures, water lines should be allowed to drip continuously and cabinets enclosing plumbing lines should be left ajar. An Owner or Resident who fails to monitor the local weather and take appropriate precautions shall be deemed negligent and shall be responsible for any damages resulting there from.

ARTICLE V

GENERAL USE AND MAINTENANCE OF COMMON ELEMENTS

Section 5.01 Intended Use. Every area and facility in the condominium may be used only for its intended and obvious use. For example, walkways, stairways, sidewalks, elevators and driveways are to be used exclusively for purposes of access, not for social congregation or recreation. The breezeway may be used for Club sanctioned activities. For safety reasons, driveways, parking areas, trees, walls and fences shall not be used as play areas. Reasonable play activities will be permitted on the sidewalks and grassy area contained within the Common Elements, provided entrances and stairwells are not blocked or obstructed in any manner. For example, climbing walls and/or trees and building forts are not considered reasonable play. Activities such as skateboarding, roller-blading, skating, bicycle riding and any other such hazardous activities, which may jeopardize the safety of other Residents or guests, are prohibited in the Common Elements. However, bicycle riding is permitted on the Common Element roadways. Reasonable care shall be exercised to avoid making or permitting to be made loud, disturbing or objectionable noises when playing.

Section 5.02 Grounds. Unless the Board designates otherwise, Residents may not use or abuse the landscaped areas, lawns, beds and plant materials on the Common Elements. The following are expressly prohibited: digging, planting, pruning and climbing. Unit owners may occasionally request to have additional plants, shrubs or trees added to the landscape, or have existing plants, shrubs or trees removed or replaced. Accordingly, all such requests together with specific plans must first be submitted to the Executive Director. The requests will be reviewed by the Director, Landscape Service Company, and if needed the Facilities and Landscape Committee prior to responding to the request. All costs associated with any change made as a matter of personal preference shall be paid by the Unit owner.

Section 5.03 Abandoned Items. Except as provided in Article VIII hereof, no item or object of any type shall be stored, placed or maintained anywhere on the General Common Elements, including window sills, passageways and walkways, except by the Board or with the prior written consent of the Board. Items of personal property found on the General Common Elements are deemed abandoned and may be disposed of by the Board.

Section 5.04 Stored Items. If the Association provides storage areas for use by Residents, Residents agree that the Association is not responsible for items stored there by them, and Residents shall be solely liable at all times for their personal property.

Section 5.05 Flyers; Notices. Flyers and other notices, advertisements or materials may not be placed on the door of any Unit or other portion of the condominium property, except that such may be placed upon a bulletin board which may be provided by the Association in the mailbox areas. Such flyers and other notices, advertisements or materials, if placed upon such bulletin board, may only be left there for a reasonable time of not more than thirty (30) days.

ARTICLE VI

COMMUNITY ETIQUETTE

Section 6.01 Courtesy. Each Resident shall endeavor to use his or her Unit and the Common Elements in a manner calculated to respect the rights and privileges of other Residents.

Section 6.02 Annoyance. A Resident shall avoid doing or permitting anything to be done that will annoy, harass, embarrass or inconvenience other Residents or their guests or the Association's employees and agents.

Section 6.03 Noise and Odors. Each Resident shall exercise reasonable care to avoid making or permitting to be made loud, disturbing or objectionable noises or noxious odors that are likely to disturb Residents of other Units. Musical instruments, stereos, CD players, radios, phonographs, television sets, amplifiers and any other instruments or devices must be used or played so as not to disturb other Residents.

Section 6.04 Alcohol. Alcoholic beverages may not be consumed in excess in or on any of the Common Elements.

Section 6.05 Reception Interference. Each Resident shall avoid doing or permitting anything to be done that may unreasonably interfere with the television, radio, Wi-Fi, telephonic or electronic reception on the condominium.

Section 6.06 No Personal Service. Except as provided as part of the services contracted to be provided by the Club Operator, the Association's employees and agents are not permitted or authorized to render personal services to Residents unless approved by the Board. Each Resident agrees that the Association is not responsible for any item or article left with or delivered to the Association's employees or agents on behalf of such Resident.

Section 6.07 Compliance with Law. Residents may not use the condominium for unlawful activities. Residents shall comply with applicable laws and regulations of the United States and of the State of Texas and with ordinances, rules and regulations of Tarrant County, Texas. A Resident who violates this provision shall hold the Association and other Owners and Residents harmless from all fines, penalties, costs and prosecutions for the Resident's violation or noncompliance.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 7.01 Common Elements. Without the Board's prior written approval, a person may not change, remodel, decorate, destroy or improve the Common Elements, nor does anything to change the appearance of the Common Elements, including, without limitation, the entry door, balcony, or landing or walkway appurtenant to the unit.

Section 7.02 Prohibited Acts. Except as otherwise provided in the Declaration, no person may:

- a. Post signs, notices or advertisements on the Common Elements or in a Unit if visible from outside his or her Unit.
- b. Place or hang an object in, on, from or above any window, interior window sill or balcony that, in the Board's opinion, detracts from the appearance of the condominium.
- c. Hang, shake or otherwise display linens, clothing, towels, rugs, shoes, mops, bedding or other similar items from windows, doors, balconies or passageways.
- d. Erect or install exterior horns, lights, wiring, machines, window air conditioners, speakers, aerials, antennae or other transmitting or receiving equipment, or cause anything to protrude through an exterior wall or roof or are otherwise visible from the ground, except as may be expressly authorized by the Board.
- e. Place decorations or articles on exterior walls or doors or on the Common Elements, except as specified in Section 4.03.
- f. Remove or alter any wall, floor, ceiling or any other structural item without the prior approval of the Board.

- g. Place live plants outside the front of their Unit in the Tower building.
- h. Place or store furniture in the hallways or common areas of the Tower.
- i. Decorate the tables in the hallways or common areas of the Tower.

Section 7.03 Window Treatments. An Owner may install window treatments inside his Unit, at his expense without Board approval, provided:

- a. any window treatment, including drapes, blinds, shades or shutters, must be, unless otherwise approved by the Board, white when viewed from outside the Unit;
- b. aluminum foil and reflective window treatments are expressly prohibited; and
- c. window treatments must be maintained in good condition and must be removed or replaced if they become stained, torn, damaged or otherwise unsightly in the opinion of the Board.

Section 7.04 Board Approval. To obtain the Board's written consent for a modification, an Owner must submit to the Board complete plans and specifications showing the nature, kind, shape, size, materials, colors and location for all proposed work, and any other information reasonably requested by the Board.

ARTICLE VIII

VEHICLE RESTRICTIONS

Section 8.01 Permitted Vehicles. Except as otherwise provided in the Declaration, boat trailers, boats, jet skis and other watercraft shall not be parked on the Common Elements by Owners or Residents without the permission of the Board. Non-commercial vehicles used primarily for travel on roads and highways, such as motorcycles, mopeds, passenger automobiles, sports utility vehicles and pick-up trucks are examples of vehicles which are allowed under this Rule. All vehicles must be in proper working condition with current registration and inspection stickers. Golf carts used for transportation within Watermere are also allowed. Vehicles which are in poor aesthetic or physical condition, as determined by the Board, may not be parked on the Common Elements.

Section 8.02 Repairs. Washing, repairs, restoration or maintenance of vehicles is prohibited on the Common Elements, except for emergency repairs, and then only to the extent necessary to enable movement of the vehicle to a repair facility.

Section 8.03 Space Use. Parking space(s) in the parking garage or within the carports will be assigned to Unit Owners on a first come, first served basis. Reference Declarations Exhibit A-5. Visitors or guests must park in those parking spaces designated for visitor parking. Residents are not permitted to park in parking spaces designated for visitor parking. Residents may not park in another Resident's designated space(s) without that Resident's permission. No parking space may be enclosed or used for any purpose that prevents the parking of vehicles.

(i) Parking spaces located in the circle in front of the Clubhouse are reserved for use by club members, and others, who are accessing or utilizing services or facilities located in the Clubhouse; individuals who are calling on or meeting with members of our management team; short term visitors such as family members or guests (excluding full time caretakers) of residents; service and delivery vehicles; and potential future residents who are actively seeking sales information.

(ii) All residents are expected to park their vehicles in their designated parking spaces or garages. Residents' guests and caretakers may park their vehicles in designated lined parking spaces provided in several locations on the campus.

(iii) Long term parking in courtyards and cul-de-sacs is prohibited. Only reasonable short term parking for visits, deliveries or services for residents is permitted. (Depending on circumstances and good judgement, "reasonable short term parking" may be one day to one week.)

(iv) As a courtesy to others, residents and guests are asked not to park in a manner that interferes with ready access to any villa entrance. Vehicles are not to park in spaces designated for handicapped parking unless they have a permit.

Section 8.04 No Obstruction. No vehicle may be parked in a manner that interferes with ready access to any entrance to or exit from the condominium. No vehicle may obstruct the flow of traffic, constitute a nuisance or otherwise create a safety hazard on the condominium. No vehicle may be parked, even temporarily, in spaces reserved for others, in fire lanes or in any area designated as "No Parking".

Section 8.05 Nuisances. Each vehicle shall be muffled and shall be maintained and operated to minimize noise, odor and oil emissions. The use of car horns on the condominium is discouraged. No vehicle may be kept on the condominium if the Board deems it to be unsightly, inoperable, inappropriate or otherwise violative of these Rules.

Section 8.06 Violations. Any vehicle in violation of these Rules may be stickered, wheel-locked and towed or otherwise removed from the condominium by the Board, at the expense of the Owner of the vehicle. The Association expressly disclaims any liability for damage to vehicles on which the Association exercises these remedies for Rules violations.

ARTICLE IX

TRASH DISPOSAL

Section 9.01 General Duty. Residents shall not litter the Common Elements, shall endeavor to keep the condominium clean, and shall dispose of all refuse in receptacles provided specifically by the Association for that purpose.

Section 9.02 Hazards. Residents may not store trash inside or outside his or her Unit in a manner that encourages vermin, causes odors or may permit the spread of fire. Before discarding coals, ashes, logs or other materials used in barbecue grills or fireplaces, Residents shall ensure that the debris is thoroughly cold.

Section 9.03 Excess Trash Tower Units. Residents shall place trash in sealed plastic bags and dispose of such in trash chute or proper receptacles designated by the Board and may not place trash outside, next to or on top of the trash receptacle or on patios, stairways or walkways. If the trash chute or trash receptacle is full, you should locate another receptacle or hold your trash. Boxes and large objects should be crushed or broken down before being placed in the trash receptacle. Receptacle doors are to be closed at all times when not in use. Residents shall arrange privately for removal of discarded furnishings or any unusually large volume of debris.

Section 9.04 Villa Units Trash.

(a) Each resident is to put the number of their respective residence on their green recycle barrel, and also their trash barrel, if they use one.

(b) Each resident is not to put their trash and recycling barrels or bags outside on the curb for pick up before 6:00 AM on the day scheduled for pickup. The barrels are to be returned to the residence by 7:00 PM the same day. Villa trash cans and recycling bins must be inside garages except on trash and recycling days.

(c) Each resident is not to put their trash and recycling barrels or bags in front of or adjacent to the Mail Boxes in such a manner that may preclude easy access to the mail boxes by the USPS employee or fellow residents.

ARTICLE X

PETS

Section 10.01 Subject to Rules. A Resident may not keep or permit on the condominium a pet or animal of any kind, at any time, except as permitted by these Rules and the governing documents.

Section 10.02 Permitted Pets. Subject to these Rules, a Resident may keep in his or her Unit not more than two (2) house pets (two cats, two dogs or one cat and one dog), each of which, at maturity, may not exceed the greater of 30 inches in height at the shoulder or 50 pounds in weight, without Board approval. Permitted house pets include domesticated dogs, cats, caged birds and aquarium fish. Permitted house pets also include specially-trained animals that serve as physical aids to handicapped Residents, regardless of the animal's size or type.

Section 10.03 Prohibited Animals. No Resident may keep a dangerous or exotic animal, pit bull terrier, American Staffordshire Terrier, trained attack dog or any other animal deemed by the Board to be dangerous or a potential threat to the well-being of people or other animals. No animal or house pet may be kept, bred or maintained for a commercial purpose. The Board may cause the removal of any pet which in the Board's sole discretion creates a nuisance or unreasonable disturbance from the Condominium should an Owner or Resident refuse to do so after notice from the Board. Any pet which, the Board's sole discretion, presents an immediate danger to the health, safety or property of any Person may be removed without prior notice to the pet's owner.

Section 10.04 Indoors/Outdoors. A permitted pet must be maintained inside the Unit and may not be kept on walkways or balconies. No pet is allowed in the Clubhouse. No pet is allowed on other General Common Elements unless carried or leashed. No pet may be leashed to any stationary object on the Common Elements.

Section 10.05 Disturbance. Pets shall be kept in a manner that does not disturb another Resident's rest or peaceful enjoyment of his or her Unit or the Common Elements. No pet shall be permitted to bark, howl, whine, screech or make other loud noises for extended periods of time.

Section 10.06 Damage. Each Resident is responsible for any property damage, injury or disturbance his or her pet may cause or inflict. A Resident shall compensate any person injured by his or her pet. Any Resident who keeps a pet on the condominium shall be deemed to have indemnified and agreed to hold harmless the Board, the Association and other Owners and Residents from any loss, claim or liability of any kind or character whatever resulting from any action of his or her pet or arising by reason of keeping or maintaining such pet on the condominium.

Section 10.07 Pooper Scooper. No Resident may permit his or her pet to relieve itself on the condominium, except in areas designated by the Board for this purpose. Residents are responsible for the removal of his or her pet's wastes from the Common Elements. The Board may levy a fine against a Unit and its Owner each time feces are discovered on the Common Elements and attributed to an animal in the custody of that Unit's Resident.

Section 10.08 Removal. If a Resident's pet violates these Rules or the community policies pertaining to pets or if a pet causes or creates a nuisance, odor, unreasonable disturbance or noise, the Resident or person having control of the animal shall be given a written notice by the Board to correct the problem. If the problem is not corrected within the time specified in the notice (not less than ten days), the pet Owner, upon written notice from the Board, may be required to remove the animal. Each pet Owner agrees to permanently remove his or her violating animal from the condominium within fourteen (14) days after receipt of a removal notice from the Board.

ARTICLE XI

MISCELLANEOUS

Section 11.01 Security. The Association may, but shall not be obligated to, maintain or support certain activities within the condominium designed to make the condominium less attractive to intruders than it otherwise might be. The Association, its directors, committees, members, agents and employees shall not in any way be considered an insurer or guarantor of security within the condominium and shall not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. Each Owner, Resident, guest and invitee on the condominium assumes all risk for loss or damage to his or her person, to his or her Unit, to the contents of his or her Unit and to any other of his or her property on the condominium. The Association expressly disclaims and disavows any and all representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any security systems, equipment or measures recommended, installed or undertaken within the condominium.

Section 11.02 Fines. Should any Owner, tenant, occupant, Resident, guests or invitee violate any of these Rules or any portion of the governing documents, the Board may, in addition to any other remedies provided in these Rules or in the governing documents, impose a fine or fines against the Owner, Resident and Unit. Any fine imposed and not paid shall constitute a lien on the Unit, shall be enforceable pursuant to Article V of the Declaration and the Texas Uniform Condominium Act and may be collected in the same manner as assessments under Article V of the Declaration and/or the Texas Uniform Condominium Act.

Section 11.03 Right to Hearing. An Owner may request, in writing, a hearing by the Board regarding an alleged breach of these Rules by the Owner or Resident of the Owner's Unit. The Board will schedule a hearing within thirty (30) days of receiving the Owner's written request. At the hearing, the Board will consider the facts and circumstances surrounding the alleged violation. The Owner may attend the hearing in person or may be represented by another person or written communication.

Section 11.04 Mailing Address. An Owner who receives mail at any address other than the address of his or her Unit shall be responsible for maintaining with the Association his current mailing address. Notifications of change of name or address should be clearly marked as such. All notices required to be sent to Owners by the governing documents shall be sent to an Owner's most recent address as shown on the records of the Association. If an Owner fails to provide a forwarding address, the address of that Owner's Unit shall be deemed effective for purposes of delivery.

Section 11.05 Revision. These Rules are subject to being revised, replaced or supplemented. Owners and Residents are urged to contact the Association's office to verify the rules currently in effect on any matter of interest.

Section 11.06 Other Rights. These Rules are in addition to and shall in no way whatsoever detract from the rights of the Association under the Declaration, Bylaws, Articles of Incorporation and the laws of the State of Texas.

Section 11.07 Effective Date. These Rules are the initial Rules of the Watermere at Southlake Condominium Association, Inc. and are effective immediately upon adoption by the Board.

XII

RECREATION AREAS

Section 12.01 Recreation Areas. A Qualifying Resident may use the common recreational facilities (the "Recreation Areas"). These Recreation Areas may be accessed during the hours of operation posted. All Rules and Regulations posted must be observed. Each Person using a Recreation Area assumes sole responsibility for his or her own safety and for the well-being and supervision of his or her family and guests. The Association assumes no liability or responsibility for any injury or death occurring as a result of such use. Each Person using a Recreation Area shall clean-up all trash after each use.

[END OF DOCUMENT]