

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
HOLIDAY STATION SUBDIVISION**

THE STATE OF TEXAS

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COUNTY OF HARRIS

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Creekmont Corner, LLC, a Texas limited liability company ("Declarant"), is the fee simple owner of the real property described as a subdivision of 1.5993 Acres of land situated in the SW Allen Survey, A-94, City of Houston, Harris County, Texas, and being a replat of the East 20 ft of Lot 32 and all of Lot 33, Block 1 of Rosslyn Heights Acres Homes, Section No. Two, an addition to Harris County, Texas, according to the map or plat thereof recorded in Volume 5, Page 27, of the map records, Harris County, Texas (the foregoing being referred to as the "Land"), together with all improvements thereon and all easements, rights, and appurtenances thereto (collectively, the "Improvements"). The Land and Improvements are hereby made subject to the provisions of this Declaration of Covenants, Conditions, and Restrictions for Holiday Station Subdivision (the "Declaration").

The Land is held, transferred, sold, conveyed, leased, occupied, used, insured, and encumbered subject to the terms, covenants, conditions, restrictions, liens, and easements of this Declaration, which run with Property, and bind all parties having or acquiring any right, title, or interest in the subdivision/townhomes (referenced as "Townhome Project"), their heirs, successors, and assigns, and inure to the benefit of each Owner.

NOW, THEREFORE, it is hereby declared that the Land will be held sold, conveyed, leased, occupied, used, insured, and encumbered with this Declaration, which will run with the Land, and be binding upon all parties having right, title, or interest in or to such property, their heirs, successors, and assigns and shall inure to the benefit of each owner thereof.

**ARTICLE I
Defined Terms**

1.1 "Association" means the Holiday Station Owners Association, Inc., a Texas non-profit corporation, the Members of which shall be the Unit Owners within the Townhome Project. The failure of the Association to maintain its corporate charter from time to time does not affect the existence or legitimacy of the Association, which derives its authority from this Declaration, the Certificate, and the Bylaws.

1.2 "Assessments" shall have the meaning set forth in Section 5.1 hereof.

1.3 "Board" shall mean the Board of Directors of the Association.

1.4 "Building" or "Buildings" shall mean the residential structure or structures to be constructed on the Land as shown on the Plats and Plans that will house the Units. Each Lot within the Townhome Project has one Building and no more than two dwellings within the Building..

1.5 "Bylaws" shall mean the corporate bylaws of the Association in the form attached hereto as Exhibit "D" as they may be amended from time to time.

RP-2025-151821

1.6 "Certificate of Formation" shall mean the certificate of formation of the Association in the form attached hereto as Exhibit "C" as it may be amended from time to time.

1.7 "Common Area" shall mean all portions of the Land other than the Units and the associated yard.

1.8 "Common Improvement(s)" shall mean any improvement built within the Common Area.

1.9 "Common Expense" or "Common Expenses" shall mean expenses incurred for typical common expenses, including without limitation, management and operation of the Townhome Project and for the repair, maintenance, insurance (if necessary), and operation of the Common Areas and Common Improvements, including reserves for larger expenses and future expenses.

1.10 "Common Wall(s)" means the demising walls within a Building that divide and are located between any two (2) adjoining Units in the Building and includes piers, beams, and portions of slab under the wall. The Common Walls are further described in Section 7.2.

1.11 "Declarant" means Creekmont Corner, LLC, a Texas limited liability company, or its successors or assigns, provided such successors or assigns are designated in writing by Creekmont Corner, LLC, as a successor or assign of the rights of Declarant set forth herein.

1.12 "Declarant Control Period" shall have the meaning set forth in Section 10.3 hereof.

1.13 "Eligible Insurer" means an insurer or guarantor of a first mortgage secured by a Unit. An Eligible Insurer must notify the Association in writing of its name and address and inform the Association that it has insured or guaranteed a first security interest in a Unit. It must provide the Association with the Unit number and address of the Unit on which it is the insurer or guarantor of a security interest. Such notice shall be deemed to include a request that the Eligible Insurer be given the notices and other rights described in Article XV.

1.14 "Eligible Mortgagee" means a holder of a first mortgage secured by a Unit. An Eligible Mortgagee must notify the Association in writing of its name and address and inform the Association that it holds a first security interest in a Unit. It must provide the Association with the Unit number and address of the Unit on which it holds a security interest. Such notice shall be deemed to include a request that the Eligible Mortgagee be given the notices and other rights described in Article XV.

1.15 "Governing Documents" means this Declaration, the Plats and Plans recorded and filed, the Certificate of Formation of the Association, the Bylaws of the Association, and the Rules and Regulations of the Association as they may be amended from time to time. Any exhibit, schedule or certification accompanying a Governing Document is a part of that Governing Document.

1.16 "Improvements" shall mean and refer to all improvements, structures, easements, rights, and appurtenances related to or existing upon the Land.

1.17 "Land" shall mean the following real property: real property described as a subdivision of 1.5993 Acres of land situated in the SW Allen Survey, A-94, City of Houston, Harris County, Texas, and being a replat of the East 20 ft of Lot 32 and all of Lot 33, Block 1 of Rosslyn Heights Acres Homes, Section No. Two, an addition to Harris County, Texas, according to the map or plat thereof recorded in Volume 5, Page 27, of the map records, Harris County, Texas, according to the map or plat thereof recorded at Film Code Number 710482 of the Map Records of Harris County, Texas.

1.18 "Member" shall mean any person or entity holding membership rights in the Association.

1.19 "Mortgage" shall mean any mortgage or deed of trust covering any portion of the Land or Improvements given to secure payment of a debt.

1.20 "Owner" shall mean a person or entity, including the Declarant, who owns fee simple title to a Unit. Declarant is the initial Owner of all Units. Mortgagees who acquire title to a Unit through a deed in lieu of foreclosure or through judicial or non-judicial foreclosure are Owners. Persons or entities having ownership interests merely as security for the performance of an obligation are not Owners. Every Owner is a Member of the Association.

1.21 "Person" shall mean any natural person or entity having the legal right to own title to real property.

1.22 "Plats" shall mean the plats as recorded at Film Code Number 710482 of the Map Records of Harris County, Texas.

1.23 "Plans" shall mean the dimensional drawings attached hereto as Exhibit "B" which identify or describe the Buildings, Units and Common Areas.

1.24 "Replacement Reserve Fund" shall mean the reserve fund established pursuant to Section 5.2 hereof for the purpose of maintenance, repairs, and replacements to the Common Areas and other purposes permitted.

1.25 "Rules and Regulations" shall mean the "Rules and Regulations for Holiday Station subdivision" that are adopted by the Declarant or Board and may be amended from time to time by the Board (without amending the Declaration).

1.26 "TNCL" means the Texas Nonprofit Corporation Law, as amended from time to time.

1.27 "Unit" shall mean the portion of the Townhome Project designated for separate ownership or occupancy as a Unit. The boundaries of each Unit are as established in the Plats and Plans attached hereto and as defined in Article III. There are a total of 39 Units and 23 Buildings..

1.28 "Working Capital Contribution" shall have the meaning set forth in Section 5.2 hereof.

ARTICLE II

Names

2.1 Townhome Project. The name of the Townhome Project is the "Holiday Station subdivision".

2.2 Association. The name of the Association is the "Holiday Station Owners Association, Inc.", a Texas non-profit corporation.

ARTICLE III

Units

3.1 Number. The number of Units in the Townhome are 39 separate private dwellings.

3.2 Identification. The identification number of each Unit is shown on the Plats or Plans or both with numeric identifiers and, where applicable, the Board will post additional documentation identifying the accompanying alphabetical identifiers for each Units having multiple dwellings.

3.3 Boundaries. The boundaries of each Unit are shown on the Plats and Plans (called "Lots") and are more particularly described as follows:

3.3.1. Horizontal (Upper and Lower) Boundaries. The Units do not have horizontal boundaries.

3.3.2 Vertical (perimeter) Boundaries. The vertical or perimeter boundaries of each Unit are the vertical or perimeter boundaries reflected on the Plats and Plans.

3.3.3 Further Description of Units.

(i) Except where provisions of this Declaration otherwise specify, all air spaces, interior walls and partitions, any items through attic space, floors separating different stories of the same Unit, and other fixtures and improvements within the foregoing boundaries are a part of the Unit. In addition, 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 are a part of a Unit.

(ii) Unit boundaries shall include any and all attachments to, protrusions from and appurtenances attached to and serving such Unit.

(iii) Improvements, fixtures, and equipment serving the Unit exclusively, whether located inside or outside the Unit, whether or not attached to or contiguous with the Unit, including but not limited to water heaters, air conditioners, utility meters, fuse boxes, electrical switches, wiring, pipes, ducts, conduits, smoke detectors, security systems, appliance systems, television antennas, lighting fixtures, telephone and electrical receptacles are part of such Unit (certain main meters may be part of the Common Areas; however, any meter within the real property boundaries of the unit belong to the Unit).

(iv) In interpreting deeds, plats, and floor plans, the existing physical boundaries of a Unit as originally constructed, or as reconstructed in substantial accordance with the Plats and Plans, shall be conclusively presumed to be its boundaries regardless of minor variances between the actual boundaries and the boundaries shown on the Plats and Plans or described in a deed.

(v) A 1-hour rated firewall must separate any two (2) dwellings. A two (2) hour rated firewall must separate any two (2) Units. Where a Unit has more than two (2) dwellings, no more than two (2) dwellings shall be isolated within two (2) hour firewalls as shown on Exhibit "F".

3.3.4 Size of Units. The space contained within the Unit's vertical and horizontal boundaries is not related to the size of the Unit's living areas. Similarly, the Units are initially marketed on the basis of a limited number of representational floorplans, each of which is marked with a rounded and estimated size of air-conditioned space and yard size, taken from pre-construction architectural drawings. Those marketing sizes may vary from the size of the actual space contained within the Unit's vertical boundaries and the actual area contained within the air-conditioned space of a structure. The size of a Unit may be measured in different ways for different purposes, such as for tax purposes, appraisal purposes, sales purposes, and for purposes of carpeting and painting. No single measurement is definitive for all purposes. Measurements may be of the area under roof, or the air-conditioned space, or the area within the

Unit's legal boundaries. The Unit's partition wall cavities and/or its perimeter wall cavities may or may not be included.

3.4 Separate Estates. The Land and Buildings, and the improvements located thereon and the easements, rights, and appurtenances thereto are hereby divided into estates consisting of separate Units, together with the exclusive rights to use the Common Improvement appurtenant thereto, the non-exclusive right to use the Common Areas. The Common Areas shall be owned by the Declarant and then in the future will be transferred to the Association. Owners may choose to lease their Unit, or any dwelling unit therein, to third parties. However, Common Areas may not be leased for use by a third party. Each Owner of a Unit having or hereafter acquiring a Unit shall be entitled to the exclusive ownership and possession of his/her Unit and the exclusive use and possession of the Common Improvement appurtenant thereto. If a Common Improvement is assigned to more than one (1) Unit, the Owners of such Units shall be entitled to exclusive possession and ownership of their respective Units and shall be entitled in common with all other Unit Owners to which such Common Improvement are assigned, and exclusive of all other Units in the subdivision, to use and possess such Common Improvement. Each Unit Owner, during his or her period of ownership of a Unit shall have an unrestricted and perpetual right of ingress and egress to such Owner's Unit, which shall run with and be an appurtenance to such Unit.

3.5 Conveyance of Units. No Unit shall be conveyed to any other party unless the conveyance also includes the Common Improvements appurtenant thereto. Any attempted conveyance, encumbrance, judicial sale or other voluntary or involuntary transfer of all or any portion of a Common Improvement, which does not include the Unit appurtenant thereto, shall be void.

3.6 Subdivision of Units. A Unit, as described in the Plats and Plans (as "Lots") attached hereto, but may not be further subdivided. If a jurisdiction rules that a Unit may be subdivided, the Unit Owner must record an agreement regarding the description of the Unit, which is subordinate to this Declaration.

ARTICLE IV The Association

4.1 Organization. On or before the conveyance of any Units, the Declarant shall cause the formation and incorporation of the Association. The Association shall be a Texas non-profit corporation. Neither the Certificate of Formation of the Association nor its Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration. The Association shall have all the rights, powers and duties of an Association.

4.2 Membership. Any Person, upon becoming an Owner, shall automatically become a Member of the Association. Membership shall be appurtenant to and shall run with the ownership of the Unit, and ownership may not be severed from, or in any way transferred, pledged, mortgaged, or alienated except together with the title to the Unit.

4.3 Voting Rights. The right to cast votes, and the number of votes which may be cast, for election of members of the Board and on all other matters to be voted on by the Members shall be one vote per Unit.

4.4 Powers and Authority. The Association shall have the power to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers granted to it by this Declaration. The Association is granted the right to borrow money by resolution of the Board. The Association is granted the right to assign as collateral for the loan authorized by the resolution

the Association's right to future income, including the right to receive Assessments and the lien rights reserved by this Declaration for the purpose of securing payment of Assessments.

4.5 Association Documents. The Association shall keep on hand at the offices of the Association or other location designated by the Association the books, records, and financial statements of the Association, as well as current copies of the Governing Documents, as well as the Certificate of Formation of the Association and the Bylaws. The Association, upon written request, shall make such documents reasonably available for inspection during its normal business hours by Owners, Eligible Mortgagees, or by insurers and guarantors of Mortgages.

4.6 Audited Financial Statements. The Association may elect to have an audited financial statement for its preceding fiscal year prepared and if prepared will make such statement available to Owners, Eligible Mortgagees, and insurers or guarantors of Mortgages.

4.7 Management Certificate. The Association shall prepare and file with the Harris County Clerk a management certificate that complies with the Texas Property Code.

4.8 Manager. The Board may delegate the performance of certain functions to one or more managers or managing agents of the Association.

4.9 Use of Technology. In recognition of the opportunities offered through computers and continuing advancements in technology, the Association may, as a Common Expense, provide or offer services which make use of computers or other technological services. For example, to the extent permitted by Applicable Law, the Association may send required notices by electronic means; hold Board or Association meetings and permit attendance and voting by electronic means; send and collect assessments and other invoices over the computer; sponsor a community cable or satellite television channel; install security cameras in Common Areas that are accessible remotely, create and maintain a community intranet or internet home page offering interactive participation opportunities for users; maintain an "online" newsletter or bulletin board; and provide funding for any of the above purposes.

4.10 Indemnification. The Association indemnifies every officer, director, and committee member (for purposes of this Section, "Leaders") against expenses, including attorney's fees, reasonably incurred by or imposed on the Leader in connection with any threatened or pending action, suit, or proceeding to which the Leader is a party or respondent by reason of being or having been a Leader. A Leader is not liable for a mistake of judgment. A Leader is liable for his willful misfeasance, malfeasance, misconduct, or bad faith. This right to indemnification does not exclude any other rights to which present or former Leaders may be entitled. As a Common Expense, the Association may maintain general liability and directors' and officers' liability insurance to fund this obligation.

4.11 Obligations of Owners. Without limiting the obligations of Owners under the Governing Documents, each Owner has the following obligations:

4.11.1. Information. Within 30 days after acquiring an interest in a Unit, within 30 days after the Owner has notice of a change in any information required by this Subsection, and on request by the Association from time to time, an Owner will provide the Association with the following information: (i) a copy of the recorded deed by which Owner has acquired title to the Unit; (ii) the Owner's address, phone number, and driver's license number, if any; (iii) any Mortgagee's name, address, and loan number; (iv) the name and phone number of any resident other than the Owner; (v) the name, address, and phone number of Owner's managing agent, if any, and (vi) a copy of any active lease.

4.11.2 Pay Assessments and Charges. Each Owner will pay Assessments properly levied by the Association against the Owner or such Owner's Unit and will pay such Assessments and charges without demand.

4.11.3. Compliance with Governing Documents. Each Owner will comply with the Governing Documents as amended from time to time.

4.11.4 Reimburse for Damages. Each Owner will pay for damage to Common Areas, Common Improvements, or another Unit caused by the negligence or willful misconduct of the Owner, a resident of the Owner's Unit, or the Owner or resident's family, guests, employees, contractors, agents, or invitees.

4.11.5 Liability for Violations. Each Owner is liable to the Association for violations of the Governing Documents by the Owner, a resident of the Owner's Unit, or the Owner or resident's family, guests, employees, agents, or invitees, and for costs incurred by the Association to obtain compliance, including attorney's fees whether or not suit is filed.

4.12 Unit Resales. This Section applies to every sale or conveyance of a Unit or an interest in a Unit by an Owner other than Declarant:

4.12.1. Resale Certificate. An Owner intending to sell his Unit will notify the Association and may request a resale certificate from the Association.

4.12.2 No Right of First Refusal. The Association does not have a right of first refusal and may not compel a selling Owner to convey the Owner's Unit to the Association.

4.12.3 Other Transfer-Related Fees. A Transfer Fee will be set by the Board and will be shown on the Management Certificate. A number of independent fees may be charged in relation to the transfer of title to a Unit, including but not limited to, fees for resale certificates, estoppel certificates, copies of Governing Documents, compliance inspections, ownership record changes, and priority processing, provided the fees are customary in amount, kind and number for the local marketplace. transfer-related fees are not refundable and may not be regarded as a prepayment of or credit against regular or special Assessments. Transfer-related fees may be charged by the Association or by the Association's managing agent, provided there is no duplication of fees. Transfer-related fees charged by or paid to a managing agent must have the prior written approval of the Association, are not subject to the Association's assessment lien, and are not payable by the Association.

4.12.4 Exclusions. The requirements of this Section do not apply to the following transfers: (i) foreclosure of a mortgagee's deed of trust lien, a tax lien, or the Association's assessment lien; (ii) conveyance by a mortgagee who acquires title by foreclosure or deed in lieu of foreclosure; transfer to, from, or by the Association; (iii) voluntary transfer by an Owner to one or more co-Owners, or to the Owner's spouse, child, or parent; a transfer by a fiduciary in the course of administering a decedent's estate, guardianship, conservatorship, or trust; a conveyance pursuant to a court's order, including a transfer by a bankruptcy trustee; or (iv) a disposition by a government or governmental agency. Additionally, the requirements of this Section do not apply to the initial conveyance from Declarant.

4.13 **SECURITY**. THE ASSOCIATION MAY, BUT IS NOT OBLIGATED TO, MAINTAIN OR SUPPORT CERTAIN ACTIVITIES ON THE TOWNHOME DESIGNED, EITHER DIRECTLY OR INDIRECTLY, TO IMPROVE SAFETY IN OR ON THE LAND. EACH OWNER AND RESIDENT ACKNOWLEDGES AND AGREES, FOR HIMSELF AND HIS

GUESTS, THAT DECLARANT, THE ASSOCIATION, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES ARE NOT PROVIDERS, INSURERS, OR GUARANTORS OF SECURITY ON THE LAND. EACH OWNER AND RESIDENT ACKNOWLEDGES AND ACCEPTS AS SUCH OWNERS SOLE RESPONSIBILITY TO PROVIDE SECURITY FOR SUCH OWNERS OWN PERSON AND PROPERTY, AND ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO SAME. EACH OWNER AND RESIDENT FURTHER ACKNOWLEDGES THAT DECLARANT, THE ASSOCIATION, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS THE OWNER OR RESIDENT RELIED ON ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE, BURGLARY, AND/OR INTRUSION SYSTEMS RECOMMENDED OR INSTALLED, OR ANY SECURITY MEASURES UNDERTAKEN ON THE LAND. EACH OWNER AND RESIDENT ACKNOWLEDGES AND AGREES THAT DECLARANT, THE ASSOCIATION, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES MAY NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF ANY FAILURE TO PROVIDE ADEQUATE SECURITY OR THE INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN.

4.14 INJURY TO PERSON OR PROPERTY. NEITHER THE ASSOCIATION NOR DECLARANT, OR THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEES, AGENTS, AND EMPLOYEES HAVE A DUTY OR OBLIGATION TO ANY OWNER, RESIDENT OR THEIR GUESTS: (i) TO SUPERVISE MINOR CHILDREN OR ANY OTHER PERSON; (ii) TO FENCE OR OTHERWISE ENCLOSE ANY COMMON AREA, OR OTHER IMPROVEMENT; OR (iii) TO PROVIDE SECURITY OR PROTECTION TO ANY OWNER, RESIDENT, OR THEIR GUESTS, EMPLOYEES, CONTRACTORS, AND INVITEES FROM HARM OR LOSS. BY ACCEPTING TITLE TO A UNIT, EACH OWNER AGREES THAT THE LIMITATIONS SET FORTH IN THIS SECTION ARE REASONABLE AND CONSTITUTE THE EXERCISE OF ORDINARY CARE BY THE ASSOCIATION AND DECLARANT. EACH OWNER AGREES TO INDEMNIFY AND HOLD HARMLESS THE ASSOCIATION AND DECLARANT, AND THE ASSOCIATION AND DECLARANT'S AGENTS FROM ANY CLAIM OF DAMAGES, TO PERSON OR PROPERTY ARISING OUT OF AN ACCIDENT OR INJURY IN OR ABOUT THE TOWNHOME TO THE EXTENT AND ONLY TO THE EXTENT CAUSED BY THE ACTS OR OMISSIONS OF SUCH OWNER, HIS TENANT, HIS GUESTS, EMPLOYEES, CONTRACTORS, OR INVITEES TO THE EXTENT SUCH CLAIM IS NOT COVERED BY INSURANCE OBTAINED BY THE ASSOCIATION AT THE TIME OF SUCH ACCIDENT OR INJURY.

ARTICLE V

Funds and Assessments

5.1 Assessments. The Association will from time-to-time levy regular assessments ("Assessments") against each Unit, but in any event, after the initial levy of Assessments, Assessments must be levied at least annually. The Board has the right to assess a monthly assessment. The amount of the Assessments against each Unit shall be equivalent to the percentages and Schedule shown on Exhibit A associated with each Unit. The obligation and liability for Assessments levied by the Board will arise on the date that a Unit is conveyed by Declarant to an Owner other than Declarant. Where the obligation to pay an Assessment first arises after the commencement of the year or other period for which an Assessment was levied, the Assessment shall be prorated as of the date when said obligation first arose in proportion to the amount of the Assessment year or other period remaining after said date. Each unpaid Assessment and late charges, together with such interest thereon and costs of collection thereof as hereinafter provided, shall

be the personal obligation of the Unit Owner against which the Assessment fell due, and shall become a vendor's lien against each such Unit. The Association shall enforce payment of such Assessments in accordance with the provisions of this Declaration. Nothing contained in this Subsection shall prohibit certain Common Expenses from being apportioned to particular Units as permitted elsewhere in this Declaration.

5.2 Working Capital. At such time as a Unit is conveyed to an Owner other than the Declarant, the Owner of such Unit shall contribute an amount equal to one (1) month's regular Assessments (the "Working Capital Contribution"). The Working Capital Contribution shall be deposited by the Association in the Replacement Reserve Fund for contingencies and appropriate replacement reserves associated with the Common Area and Common Improvements. The Working Capital Contribution shall be in addition to any Assessment attributable to such Unit, and shall not be credited to any Assessments otherwise payable by the Owner of the Unit.

5.3 Maintenance Fund. The Board shall establish a maintenance fund into which shall be deposited all Assessments paid to the Association and from which disbursements shall be made in performing the functions of the Association under this Declaration. The Board may in its discretion allocate a portion of the Assessments received to the Replacement Reserve Fund. The funds of the Association must be used solely for the purposes authorized by the Declaration.

5.4 Regular Annual Assessments. Prior to the beginning of each fiscal year, the Board shall estimate the expenses to be incurred by the Association during such year in performing its functions, powers, and authority under the Declaration, including but not limited to the cost of all Common Areas and Common Improvements maintenance, insurance (if necessary), repair, or replacement, the cost of taxes on the Common Areas, the administrative, legal and accounting expenses associated with the operation of the Association, the cost of enforcing the Declaration, and a reasonable provision for contingencies and appropriate replacement reserves, less any expected income and any surplus from the prior year's fund. Assessments sufficient to pay such estimated net expenses shall then be levied as herein provided, and the level of Assessments set by the Board shall be final and binding so long as it is made in good faith. If the sums collected prove inadequate for any reason, including nonpayment of any individual Assessment, the Board may at any time and from time-to-time levy further Assessments in the same manner as aforesaid. All such regular Assessments shall be due and payable to the Association at the beginning of the fiscal year, or during the fiscal year in equal monthly installments on or before the first day of each calendar month, or in such other manner as the Board may designate in its sole and absolute discretion.

5.5 Special Assessments. In addition to the regular annual Assessments provided for above, the Board may levy special Assessments whenever in the Board's opinion such special Assessments are necessary to enable the Board to carry out the mandatory functions of the Association under the Declaration. The amount of any special Assessments shall be in the reasonable discretion of the Board.

5.6 Late Charges. If any Assessment is not paid before it is delinquent, the Owner responsible for the payment thereof may be required by the Board to pay a late charge at such rate as the Board may designate from time to time, and any such late charge (and any reasonable handling cost) shall be a charge upon the Unit owned by the said Owner to which the Assessment relates, collectible in the same manner as herein provided for collection of Assessments, including foreclosure of the lien against such Unit; provided however, such charges shall never exceed the maximum charges permitted under applicable law. A 5% late fee is considered reasonable and is a minimum amount authorized by this Declaration.

5.7 Owner's Personal Obligation for Payment of Assessments. All Assessments provided for herein shall be the personal and individual debt of the Owner of the Unit upon which such Assessments are

imposed. No Owner may exempt himself from liability for such Assessments. In the event of default in the payment of any Assessment, the Owner of the Unit shall be obligated to pay interest at the highest rate allowed by applicable usury laws then in effect on the amount of the unpaid Assessment from the due date thereof (or if there is no such highest rate, at the rate of eighteen percent (18%) per annum), together with all costs and expenses of collection, including reasonable attorney's fees.

5.8 Assessment Lien and Foreclosure. All sums assessed in the manner provided in this Article V, but unpaid, shall together with interest and late charges as provided herein, and collection costs including reasonable attorney's fees, thereupon become a continuing lien and charge on the Unit covered by such Assessment, which shall bind such Unit in the hands of the Owner, and such Owner's heirs, devisees, personal representatives, successors or assigns. The obligation to pay Assessments hereunder is part of the purchase price of each Unit when sold to an Owner. An express lien on each Unit is hereby granted and conveyed by Declarant to the Association to secure the payment thereof in each such instance, each such lien to be superior to any homestead or other exemption provided by law. The aforesaid lien shall be superior to all other liens and charges against the said Unit, except only for (i) a lien for real property taxes and other governmental assessments or charges against the Unit unless otherwise provided by Section 32.05 of the Texas Tax Code; (ii) a lien or encumbrance recorded before the Declaration is recorded; (iii) a first vendor's lien or first deed of trust lien recorded before the date on which the Assessment sought to be enforced becomes delinquent under the Governing Documents; and (iv) a lien for construction of improvements to the 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, Bylaws, or Rules and Regulations. The Association shall have the power to subordinate the aforesaid Assessment lien to any other lien. Such power shall be entirely discretionary with the Board and such subordination must be signed by a duly authorized officer of the Association. To evidence the Assessment lien, the Association may prepare a written notice of Assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Unit conveyed by such lien and a description of the Unit. Such notice shall be signed by one of the officers of the Association and shall be recorded with the Harris County Clerk. Such lien for payment of Assessments shall attach with the priority described above from the date that such payment becomes delinquent and may be enforced by the foreclosure on the defaulting Owner's Unit by the Association in accordance with Section 51.002 of the Texas Property Code (or any successor statute) subsequent to the recording of a notice of Assessment lien provided above, or the Association may institute suit against the Owner personally obligated to pay the Assessment and/or for foreclosure of the above-said lien judicially. **NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE ASSOCIATION SHALL NOT HAVE THE AUTHORITY TO FORECLOSE ON THE DEFAULTING OWNER'S UNIT FOR NON-PAYMENT OF ASSESSMENTS IF THE ASSESSMENTS CONSIST SOLELY OF FINES.** In any foreclosure proceeding, whether judicial or non-judicial, the Owner shall be required to pay the costs, expenses, and reasonable attorney's fees incurred. The Association shall have the power to bid on the property at foreclosure or other legal sale, and to acquire, hold, lease, sell or otherwise deal with the same. Except as otherwise provided by law, no sale or transfer of a Unit shall relieve any Unit Owner or the transferee of a Unit from liability for any Assessments thereafter becoming due or from the lien associated therewith. If an Owner conveys his Unit and on the date of such conveyance Assessments against such Unit are unpaid, or said Owner owes the Association other fees or charges as provided under the Declaration, then the Owner shall pay all such amounts due to the Association out of the sales proceeds of the Unit after paying a first lien Mortgage or assessment liens and charges in favor of a governmental entity for taxes on the Unit which are due and unpaid. The Owner conveying such Unit shall remain personally liable for all such sums until the same are fully paid, regardless of whether the transferee of the Unit also assumes the obligation to pay such amounts.

5.9 Right of Redemption. The Owner of a Unit purchased at a foreclosure sale of the Association's lien for Assessments may redeem the Unit as required by Texas law. If the Association is the purchaser, the Owner must pay to the Association to redeem the Unit all amounts due the Association at the time of the foreclosure sale, interest from the date of foreclosure sale to the date of redemption at the rate provided in Section 5.7 for delinquent assessments, reasonable attorney's fees and costs incurred by the Association in foreclosing the lien, any Assessment levied against the Unit by the Association after the foreclosure sale, and any reasonable cost incurred by the Association as Owner of the Unit, including costs of maintenance and leasing.

5.10 Utility Service. The Association shall coordinate with providers to allow for water and wastewater utility services to the Units. The Association plans to coordinate installation of separate meters for each Unit and either invoice each Owner directly for its actual usage of utility services, or cause such utility services to be paid from the Assessments or to have Owner pay for utilities directly. If the Association bills Owners directly for their utility service used, each Owner covenants and agrees to pay to the Association the amount of such invoice not later than thirty (30) days after receipt of a statement therefor. In the event of default in the payment of any such utility charges, the Owner of the Unit shall be obligated to pay interest at the highest rate allowed by applicable usury laws then in effect on the amount of the unpaid charge from the due date thereof (or if there is no such highest rate, at the rate of eighteen percent (18%) per annum), together with all costs and expenses of collection, including reasonable attorney's fees. Without limiting the foregoing, the Association may collect unpaid utility charges in the same way the Association may collect any unpaid Assessments. The Association may elect to change the provider(s) of any such utility service in its sole discretion from time to time. The Association may require an Owner to make a cash deposit for such utility service in the amount determined from time to time by the Board or the Utility providers.

ARTICLE VI

Restrictions on Use, Occupancy, and Alienation

Subject to the Special Declarant Rights reserved under Article X, the following use restrictions apply to all Units and to all parts of the Townhome:

6.1 Residential Use. The use of each Unit is restricted to that of residential and accessory uses as permitted herein. Except for those activities conducted as part of the marketing and development program of the Declarant, no industry, business, trade or commercial activities (other than home professional pursuits), unscheduled public visits, nonresidential storage, mail or other use of a Unit shall be conducted, maintained or permitted in any part of a Unit.

6.2 Compliance. No improper, offensive or unlawful use may be made of the Townhome. Unit Owners shall comply with and conform to the Declaration, the Rules and Regulations, and all applicable laws and regulations of the United States, the State of Texas, Harris County, and all ordinances, rules and regulations of the City of Houston, Texas. **THE VIOLATING UNIT OWNER SHALL HOLD HARMLESS THE ASSOCIATION AND OTHER UNIT OWNERS FROM ALL FINES, PENALTIES, COSTS AND PROSECUTIONS FOR ANY VIOLATION OR NONCOMPLIANCE.** The Units are built in close proximity to one another, resulting in the sharing of common walls, floors and ceilings. As a result, noise and vibration may be detectable between Units or between Units and the Common Improvements. Therefore, an Owner or resident shall not conduct activities within a Unit or use a Unit in a manner that interferes with or causes disruption to the use and quiet enjoyment of another Unit by its respective Owner or resident.

6.3 **Structural Integrity & Modifications.** No Unit Owner shall do any act or permit any act to be done in, on or to any Unit, patio, back yard, parking space, or Common Area which will impair the structural integrity, weaken the support or otherwise adversely affect the Building or any Common Area or Common Improvement. No Unit Owner shall remove, relocate, or otherwise alter the interior walls, ceilings, windows, doors, or floors of the Unit, or modify, improve, or decorate the exterior of his or her Unit, including the removal, relocation, or changes to fences, except as expressly permitted herein.

6.4 **Maintenance.** All Unit Owners shall maintain their Units in a clean and well-maintained condition. No storage of trash will be permitted in or outside any Unit in a manner which may permit the spread of fire, odors, or seepage or the encouragement of vermin.

6.5 **Basketball Goals.** No basketball goals or backboards may be mounted on a garage or on a pole, or otherwise erected or maintained upon any Unit.

6.6 **Parking.** All surface parking, created by Declarant during original construction, located outside and inside of the boundary of a particular unit is part of the Common Area. Parking spaces are only for parking of automobiles or motorcycles, and shall not be used for storage or the parking of recreational vehicles, boats, bicycles or trailers. No wrecked or inoperable vehicle may be parked or stored within the Townhome. No repair work may be conducted on any vehicle within the Townhome. No Owner shall park or store any commercial vehicle, camper, mobile home, trailer, boat, motor home, or similar vehicle within the Townhome. Parking spaces shall be perpetually appurtenant to the Unit to which they are assigned as Common Improvement. Parking spaces shall be assigned to Units by the Declarant. The Declarant hereby designates and directs that the parking spaces are as shown on the Parking Plan Designation attached as Exhibit "A".

Parking Classifications

1. "Reserved" parking space means the parking space is designated for one specific Unit with the expectation that the parking space will transfer when the associated Unit is transferred. Reserved spaces are considered part of the Common Area except for townhomes having garages and driveways within its metes and bounds.
2. "Resident" parking space means the parking space is designated for any permanent resident of Holiday Station including those who would otherwise park in Reserved parking spaces.
3. "Visitor" or unmarked parking spaces are open to short term guests. At this moment, no time limits have been established for guest parking, nor is there a means to track parking time.

General Terms

1. ADA (Americans with Disabilities Act). The number of Handicap spaces falls under a state and federal requirement. The location of the spaces is based on an engineer's plan for the accessible path to mailboxes, gates, entry doors, etc. Van accessible parking and access aisles are part of the plan and requirement.
2. City of Houston Requirements. The approved site plan parking requirement for Holiday Station is per Sec 42-186 and indicated on the Plats and Plans. This includes Reserved parking spaces, Resident parking spaces handicap parking spaces, and visitor parking spaces.

3. **Concept.** The overall concept of Holiday Station is based on ownership within a small multifamily design. Common Area is used to the benefit of the overall community more so than any individual. The concept has always intended to foster owner collaboration for signage placement, community rules, expense sharing, property management, and parking. This collaboration includes parking spaces that may be partially or wholly located within the boundary lines of a Unit (subject to parking easements and access), but is subject to the Board's designation and management of the parking spaces.
4. **Convenience.** The number of Reserved parking spaces is based on the City's guidelines for one and two-bedroom spaces. The Reserved parking spaces are located closest to the corresponding unit's front door.
5. **Flexibility.** There are multiple ways to allocate parking with more flexibility given to those who do not have Reserved parking spaces. Resident and Visitor parking spaces represent an attempt to address fluctuations in parking demand. The aim of parking plan is as follows:
- to clearly delineate Reserved parking for a majority of residents,
 - to recognize that there are no precise ways to predict the number of cars per unit (ex: 1-bedrooms using 2 spaces and vice versa, Residents with more frequent visitors, etc.);
 - to maximize property values and rental rates and demand;
 - Additional Parking Factors shown below;
 - To capitalize on staggered resident schedules (similar in concept to Sec 26-500), and
 - To visibly limit available parking for visitors.
6. **Parking amendments.** The Deed Restrictions allow the Declarant to designate parking spaces initially. After that, the HOA board will have the right to amend parking by a unanimous vote or consent of the Board.
7. **Marking & Decals.** Parking spaces will be numbered and designated as "Reserved", "Resident", and "Visitor" with paint. Handicap spaces will be marked per Texas Accessibility guidelines.
8. **Towing.** Towing of vehicles in violation of parking standards is to be handled by the Association. Information on the towing company should be posted on signs on the property and enforce towing for vehicles parked improperly. The Association will develop a system of marking (such as window stickers) for vehicles to assist with Reserved and Resident parking spaces

Additional Parking Factors:

1. **Cars per Bedroom.** Parking is finite. Where there exists more two car one-bedroom units than expected, there will be fewer available spaces. Same applies when there are more peak hour visitors than expected. It's an ongoing issue that needs to be monitored and may cause periodic adjustments to parking policy.
2. **Proximity.** "Reserved" parking spaces will keep all (or an overwhelming majority) of residents parked within 25 feet of their front door for all 39 units. Inevitably, a portion of those parked in Resident parking spaces will need to park in a less convenient space. No parking configurations will leave all residents nearest to their front door.

3. **Good Faith.** Holiday Station does not have a full-time staff to monitor parking activity. There's a certain amount of good faith assumed within the current parking plan. Many property owners share a mentality that involves renting at least half of their property. However, it would be possible for those with Reserved parking spaces to over utilize the other parking spaces and limit parking for others.
4. **Gates.** People will favor parking within the entry gates. So, no Reserved or Resident parking spaces was placed outside of the gates.
5. **Rounding.** Parking calculations are rounded numbers. The City rounds the total number of spaces for the property, not each Unit. In the initial parking calculation (attached) the rounded numbers were considered shared parking spaces while the whole number was used for Reserved parking spaces. Two-Bedroom duplexes round down to 3 spaces. Although the one-bedroom units could have been rounded up, they were rounded down to increase the number of Resident parking spaces. It is assumed that the one-bedroom units will be more likely to use Resident parking spaces.

6.7 **Storage.** Storage of articles is restricted to the Unit Owner's Unit. Storage of articles visible from the Building's exterior is prohibited.

6.8 **Nuisances, Unsafe Activities.** No noxious, offensive, dangerous or unsafe activity shall be conducted in any Unit, nor shall anything be done, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or Occupants. No Unit Owner or Occupant shall make or permit any disturbing noises nor do or permit anything to be done by others that will interfere with the rights, comforts or convenience of other Unit Owners or occupants. Without limiting the generality of the foregoing, no firearms or fireworks shall be discharged within the Townhome. Nothing shall be done in or kept in or on any Unit, Common Areas and Common Improvements that poses a threat to the health or safety of any Owner or other occupant of the Townhome, or that increases the rate of insurance on the Townhome or any Unit over that applicable to residential Townhome buildings, or result in the un-insurability thereof, or the cancellation, suspension, modification or reduction of insurance on the Townhome or any part thereof. If, as a result of the use or occupancy of a Unit, a Common Area, or Common Improvement by any Owner in violation of this Section 6.8, the rate of insurance for all or part of the Townhome shall increase, then such Owner shall cease such use and shall be personally liable to the Association for such increase caused thereby and shall pay such sums to the Association upon demand.

6.9 **Animals.** No animals, birds or reptiles of any kind shall be kept in a Unit, except for a maximum of two dogs of gentle disposition, or two cats or other household pets, as approved and licensed in writing by the Association as compatible with the Townhome. Pets may not be kept for any commercial purpose. Any pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Townhome upon three (3) days' written notice from the Board of Directors. **UNIT OWNERS SHALL HOLD THE ASSOCIATION HARMLESS FROM ANY CLAIM RESULTING FROM ANY ACTION OF THEIR PETS.** Seeing-eye dogs, hearing-ear dogs, and emotional support animals will be permitted for those persons holding certificates of necessity or ESA prescriptions for permitted breeds.

6.10 **Clotheslines.** No outside clotheslines shall be constructed or maintained on any Unit, or Common Area, nor shall any other outside drying of clothes be permitted.

6.11 Signs. No signs, window displays or advertising visible from outside a Unit (except for a name plate or sign not exceeding nine square inches in area, on the main entrance door to each dwelling) shall be maintained or permitted in any part of a Unit.

6.12 Visible Attachments. No Owner shall erect antennae, air conditioning units, satellite dish, awnings or any other exterior attachments, or place any reflective material in the windows of a Unit, or in such a way as to protrude through or across any wall, floor, ceiling, window or door that is a Common Improvement, except as may be approved in writing by the Association.

6.13 Leasing Restrictions. A Unit may not be conveyed pursuant to a timesharing plan except as a part of the sales program of the Declarant, or for initial occupancy as a part of a binding purchase agreement. All leases and rental agreements shall be in writing and subject to the requirements of the Declaration, the Certificate of Formation, the Bylaws, and Rules and Regulations of the Association. All leases of a Unit shall include a provision that the tenant will recognize and attorn to the Association as landlord, solely for the purpose of having the power to enforce a violation of the provisions of the Governing Documents against the tenant, provided the Association gives the landlord notice of its intent to so enforce and a reasonable opportunity to cure the violation directly, prior to the commencement of an enforcement action. Leases must be a minimum length of six months unless the private dwelling of a Unit is 800 square feet or less. If the Unit is less than 800 square feet or less, then a lease can be less than 6 months. Upon completion, the subdivision will have 16 dwellings that are less than 800 square feet. Owners Association, at its sole discretion, may allow leasing less than six months on a case by case basis.

6.14 No Warranty of Enforceability. Declarant makes no warranty or representation as to the present or future validity or enforceability of any of the restrictions, terms, and provisions in this Declaration. Any Owner acquiring a Unit in reliance on one or more such restrictions, terms, or provisions shall assume all risks of the validity and enforceability thereof and by acquiring the Unit, agrees to hold harmless Declarant therefrom.

6.15 Compliance with Governing Documents; Uniform Applicability. All Unit Owners, tenants, mortgagees, and occupants of Units shall comply with the Governing Documents. The acceptance of a deed or the exercise of any incident of ownership or the entering into of a lease or the occupancy of a Unit constitutes agreement that the provisions of the Governing Documents are accepted and ratified by that Unit Owner, tenant, mortgagee or occupant. To the extent that there are unsold Units owned by the Declarant, the Declarant shall enjoy the same duties as any other Unit Owner would, as they relate to each individual unsold Unit. So long as the Declarant owns one (1) or more Units, the Declarant shall be subject to the provisions of the Governing Documents.

6.16 Adoption of Rules. The Board of Directors, or the Declarant acting prior to The Board's election, will adopt the Rules and Regulations at a future date. The Board may modify the Rules and Regulations from time to time. An Owner's use and occupancy of his Unit and the Common Improvement shall at all times be in compliance with the Rules and Regulations.

The Board has the right to adopt guidelines concerning rainwater recovery systems in compliance with Texas Property Code chapter 202, or as amended.

The Board has the right to adopt guidelines concerning solar energy devices in compliance with Texas Property Code chapter 202, or as amended.

6.17 Outdoor Cooking. Outdoor cooking shall be permitted in equipment especially manufactured for same, and only in such manner as not to create a hazard of fire or injury to persons or

property. A Unit Owner will adhere to the Association's safety guidance issued regarding cooking safety, fire prevention, allowable distances between flames and structures.

6.18 Abandoned Personal Property. Personal property shall not be kept, or allowed to remain for more than one (1) hour upon any portion of the Common Areas, without prior written Board permission. If the Board determines that a violation exists, then, the Board may remove and either discard or store the personal property in a location which the Board may determine and shall have no obligation to return, replace or reimburse the owner of the property; provided, however, in such case, the Board shall give the property owner, if known, notice of the removal of the property and the disposition of the property within twenty-four (24) hours after the property is removed. Neither the Association nor any officer or agent thereof shall be liable to any Person for any claim of damage resulting from the removal activity in accordance herewith. The Board may elect to impose fines or use other available remedies, rather than exercise its authority to remove property hereunder.

6.19 Sound Issues. THIS DECLARATION DOES NOT MAKE ANY REPRESENTATION OR WARRANTY AS TO THE LEVEL OF SOUND TRANSMISSION BETWEEN AND AMONG UNITS IN THE OTHER PORTIONS OF THE TOWNHOME, AND EACH OWNER HEREBY WAIVES AND EXPRESSLY RELEASES ANY SUCH WARRANTY AND CLAIM FOR LOSS OR DAMAGES RESULTING FROM SOUND TRANSMISSION.

6.20 Lighting. Photocell exterior lighting is authorized in the front door and back door. White light brightness used outside should be uniform within the subdivision and approximately 4000 lumens.

6.21 Disposal of Trash. All trash and similar matter to be disposed of must be placed in cans or similar receptacles with tight fitting lids or plastic bags tied or otherwise tightly secured, and must be placed in an area adequately screened by planting or fencing from public view or within a garage except when placed for regular pickup as herein provided. Trash and garbage may not be placed for pickup earlier than eight (8) hours prior to a scheduled pickup day. Any of the foregoing provisions may be modified, added to or deleted by applicable Rules and Regulations.

6.22 Yards. A Unit may have a green space or yard area (the "Yard") which is contained within the vertical boundary of such, and as further shown in Exhibit "B". Each Owner is responsible for the maintenance and repair of the Yard appurtenant to such Owner's Unit, and shall keep the same in good condition and repair. Each Owner and such Owner's tenants and guests shall only access the Back Yard through their respective Unit. No fences may be constructed, installed, modified, removed or replaced without the Association's approval of the fence location, height, construction type, color, common area or easement access, and other applicable considerations of the Association.

ARTICLE VII

Common Areas and Common Walls

7.1 Allocation of Common Areas and Common Improvements. The Board of Directors can change, clarify and designate parts of the Townhome as a Common Area and/or Common Improvement from time to time to bring about the purposes and intent of this Declaration.

7.2. Common Walls. Where the Units or Buildings are connected by, or share, or contain a Common Wall that separates two (2) or more Units, the following provisions shall govern the use, maintenance, repair and restoration thereof even if a portion of the Common Wall is not perfectly centered on the property line:

(a) Each Unit Owner acknowledges and agrees that the adjoining Unit Owner has full right to use the Common Wall for the insertion of beams or otherwise for support and enclosure; provided, however, that such use may not injure the adjoining Unit or impair the Common Wall benefits of support and enclosure to which the adjoining Unit is entitled; and further provided that prior written notice of such use is given to the Unit Owner by the adjoining Unit Owner as provided herein. To facilitate such use and for the purpose of erecting, extending, repairing or replacing the Common Wall as may be herein provided, each Unit Owner is licensed by the adjoining Unit Owner to enter upon the adjoining Unit to make necessary excavations or to do all other work necessary to exercise the rights provided in the other provisions of this Section 7.2.

(b) Each Unit Owner has the right to extend the Common Wall either horizontally or vertically, or both, and to make such extension of greater thickness of the Common Wall or any extension thereof already built; provided, however, such added thickness may not be placed upon the land of the other Unit without that Unit Owner's consent in writing, and any such addition may not injure the adjoining Unit or impair the Common Wall benefits of support and enclosure to which the adjoining Unit is entitled. In the event the Common Wall is extended as herein provided, either Unit Owner has the right to use the same for any proper purposes for which the extension may be made to the full extent of the length and height thereof and in the same manner that the Unit Owner is entitled, under the provisions hereof, to use the Common Wall as originally constructed.

(c) Each Unit Owner is granted an access easement to allow entry to the adjoining Unit as is necessary to perform needed work as to the Common Wall and other shared structural components, subject however to reasonable requirements by the Unit Owner and/or occupant of the Unit being accessed to protect the privacy and security of the occupants and the contents of the Unit being accessed.

(d) Should any Common Wall be damaged or destroyed by the negligence or other act or omission of a Unit Owner, said Unit Owner shall be liable, at its sole cost and expense, for all necessary repairs or restoration of said Common Wall, and related damage to any Unit or Building; provided, however, that any insurance proceeds received in connection with such damage or destruction from policies of insurance owned by the Owners of a Unit or Building sharing said Common Wall, or by the Association, shall first be applied toward the costs of repairing or restoring the Common Wall and related damages to the Units or Buildings. All repairs or restorations to be completed pursuant to this subparagraph shall be completed to the reasonable satisfaction of the affected Unit Owners. Any repairs affecting the roof and/or exterior surfaces of a Building or other Common Areas and Common Facilities shall require the consent, cooperation, and approval of the Association as described herein.

(e) Should any Common Wall be damaged or destroyed by any cause other than negligence, act or omission of a Unit Owner of either Unit sharing said Common Wall, or said Owner's agents, employees, invitees or guests, the Owners of the Units sharing said Common Wall shall be equally liable for all necessary repairs or restoration of said Common Wall, and related damage to the affected Units; provided, however, that any insurance proceeds received in connection with such damage or destruction from policies of insurance owned by the Owners of either Unit or Building sharing said Common Wall, or by the Association, shall first be applied toward the costs of repairing or restoring the Common Wall and related damages to the affected Units or Buildings. All repairs or restorations to be

completed pursuant to this subparagraph shall be completed to the reasonable satisfaction of the affected Unit Owner. Any repairs affecting the roof and/or exterior surfaces of the Building or other Common Areas and Common Facilities shall require the consent, cooperation, and approval of the Association as described herein.

(f) Should any Unit Owner fail or refuse to complete the repairs or restorations imposed upon it by these provisions, the Association, after giving written notice to said Unit Owner of its intention to do so, may undertake said repairs or restoration, and be entitled to reimbursement for all costs incurred in connection therewith from said Unit Owner. Such reimbursement shall be made within thirty (30) days after the Association has completed the work and presented said Unit Owner with a statement and demand for payment setting forth all costs incurred. The Association shall have a lien against the Unit or Building owned by the liable Unit Owner to secure payment to the Association of all costs and expenses incurred in making the necessary repairs or restorations, and the Association shall be entitled to enforce said lien in the same manner as it is authorized to enforce Assessment liens, including foreclosure and rights to recovery of attorney fees, costs and interest.

(g) To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability of adjacent owners for property damage due to negligence or willful acts or omissions apply to each Common Wall.

(h) In the event of a dispute or controversy between Unit Owners sharing a Common Wall, as to any matter within or arising out of the provisions of this Section, or respective use, maintenance, repair, or replacement of said Common Wall, such dispute or controversy shall be submitted to the Board of Directors of the Association for arbitration. The decision of the Board with respect to the issues presented shall be binding upon the parties involved.

ARTICLE VIII

Maintenance, Repair, and Replacement

8.1 Maintenance by the Association.

(a) The Association shall maintain the Common Areas and Common Improvements, except for those Common Areas and Common Improvements that are contained within the boundaries of a Unit, and those Common Improvements that are assigned to the exclusive use of a Unit. The Association shall be responsible for the removal of snow, ice, leaves, and debris from any portion of a Common Area it is required to maintain.

(b) If the need for Common Area and Common Improvement maintenance or repair is required of the Association and such maintenance is caused by the willful or negligent act of any Owner, his family, tenants, occupants, guests, invitees or contractors, then the cost of such maintenance or repair shall, to the extent not covered by the Association's insurance, be deemed a debt of such Owner to the Association, payable on demand, and payment thereof shall be secured in the same manner as the Assessments.

(c) Any Common Expense associated with the maintenance, repair, or replacement of a Common Improvement for which the Association has the responsibility for maintenance shall be assessed equally against the Units to which the Common Improvement is assigned. If the maintenance, repair, or replacement is part of a plan to maintain, repair, or replace all or a substantial amount of the Buildings in

the Townhome, then the costs can be attributed as a Common Expense to all Units (this decision is at the discretion of the Board).

8.2 Maintenance by Owners.

(a) Each Unit Owner shall maintain, repair, and replace, at his or her own expense, all portions of his or her Unit, and the improvements, utility installations and equipment therein or thereto, and maintain the same in good repair and condition at all times. Each Unit Owner's responsibilities shall include the following, unless otherwise excluded by this Declaration or a casualty loss for which the Association is responsible under Section 11.1:

i. **Roofing.** All roofing materials, including roof decking and shingles are Unit Owner responsibilities which may include the work that goes beyond the limits of the Unit's vertical boundaries. Unit Owners must provide notice to the Association when this occurs. Unit Owners accept that maintenance crews may require access or an incidental repair, at the adjacent Unit Owner's expense, when working on the roof.

ii. **Exterior.** A Unit shall include exterior elements that are affixed to the structure such as brick, cement board siding, sheathing, windows, exterior doors, shutters, porches, and awnings. Unit Owners shall have the right to repaint exterior walls, replace bricks, and repair or replace cement board. The Association's approval is required for any changes to the original color, brick height, and material used, and each Unit Owner will use good faith efforts to maintain the original appearance.

iii. **Sewer lines.** Each Unit Owner is responsible for clogs and/or maintenance associated with sewer lines dedicated to that Unit within the boundaries of the Unit.

iv. **Storm Sewer lines.** Each Unit Owner is responsible for clogs and/or maintenance associated with gutters and storm sewer lines located within the boundaries of the Unit. The 24" storm sewer lines serving more than one (1) Unit shall be considered Common Areas even if they are located within the boundaries of a Unit. Any storm sewer line located within the boundaries of a Unit that is less than 24" in diameter shall be considered a part of that Unit.

v. **Water lines.** Water supply lines serving dwellings within a Unit shall be ¾" to 1" in diameter where they connect to Common Areas lines of 4" in diameter or larger. Each Unit Owner is responsible for water supply lines within the boundaries of the Unit, starting at (and including) the valve on the house-side of the meter, even where these facilities are located in the Common Areas.

vi. **Second Story Balconies.** Where applicable, Units shall include the second story balcony as constructed by Declarant. Enlargements to the second story balcony are not permissible.

(b) Each Owner shall have the right to make cosmetic changes and redecorate the interior of such Owner's Unit, such as replacing floor coverings, painting walls, replacing fixtures and wall coverings, and similar activities, provided that such action does not change the exterior appearance of the Unit or the Building, and does not impair the structural integrity, weaken the support, or otherwise adversely affect any of the Units, the Building, or any Common Areas and Common Improvements, and provided further that all such action is performed in a good and workmanlike manner.

(c) If an Owner shall fail to maintain his Unit or any portion thereof, the Association shall have the right, but not the obligation, to perform the work necessary or required to restore the Unit to good order

and repair. The cost of such repair and restoration shall be deemed a debt of the Owner to the Association, payable on demand, and payment thereof shall be secured in the same manner as Assessments.

8.3 Elements. The Association shall not be liable for injury or damage to person or property caused by the elements or by the Owner or resident of any Unit or any other Person or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Common Areas or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder, except for injuries or damages arising after the Owner or resident of a Unit has put the Association on written notice of a specific leak or flow from any portion of the Common Areas and the Association has failed to exercise due care to correct the leak or flow within a reasonable time thereafter. The Association shall not be liable to any Owner of any Unit or such Owner's resident or their guests and invitees for loss or damage, by theft or otherwise, of any property, which may be stored in or upon any of the Common Area or any Unit. The Association shall not be liable to any Owner or any Owner's resident or their guests and invitees for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Section where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities. No diminution or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under this Declaration or for inconvenience or discomfort arising from the making of repairs or Improvements which are the responsibility of the Association or from any action taken by the Association to comply with any law, ordinance or with any order or directive of any municipal or other governmental authority.

8.4 Inspection Obligations.

8.4.1. Contract for Services. The Association shall, at all times, contract with (subject to the limitations otherwise set forth in this Declaration) or otherwise retain the services of independent, qualified, licensed individuals or entities to provide the Association with inspection services relative to the maintenance, repair and physical condition of the Townhome.

8.4.2. Schedule of Inspections. Inspections will occur at such intervals as determined by the Association in accordance with prudent business practices. The inspectors shall provide written reports of their inspections to the Association promptly following completion thereof. The written reports shall identify any items of maintenance or repair that either require current action by the Association or will need further review and analysis. The Board shall report the contents of such written reports to the Members of the Association at the next meeting of the Members following receipt of such written reports or as soon thereafter as reasonably practicable and shall include such written reports in the minutes of the Association. Subject to the provisions of this Declaration below, the Board shall promptly cause all matters identified as requiring attention to be maintained, repaired, or otherwise pursued in accordance with prudent business practices and the recommendations of the inspectors.

8.4.3. Notice to Declarant. During the Development Control Period, the Association shall deliver to Declarant ten (10) days advance written notice of all such inspections (and an opportunity to be present during such inspection, personally or through an agent) and shall provide Declarant (or its designee) with a copy of all written reports prepared by the inspectors.

8.4.4. Limitation. The provisions of this Section shall not apply during the Declarant Control Period unless otherwise directed by Declarant.

8.5. Owner Responsibility. Except as otherwise expressly provided in this Declaration, each Owner shall operate and fully maintain, repair and, when necessary, replace, at its cost and expense, all

portions of such Owner's Unit and all areas that Owner has agreed to operate, maintain, repair and replace elsewhere in this Declaration, and all items, equipment, facilities, utilities and other items with respect to which it has exclusive rights (regardless of who actually owns the Unit on which such items are located), so that the same are at all times in good order, condition and repair, and in accordance with any applicable standards, procedures or requirements of the Governing Documents. The foregoing obligation by each Owner to operate, maintain, repair and, when necessary, replace, shall include, without limitation, keeping all portions of the Unit in a clean, orderly and sanitary condition.

8.6. Disputes. If a dispute arises regarding the allocation of maintenance responsibilities by this Declaration, the dispute will be resolved by the Board, who shall delegate such maintenance responsibilities to either the Association or the individual Owner(s), as determined by the Board in its sole and absolute discretion.

8.7. Warranty Claims. If the Owner is the beneficiary of a warranty against defects of the Common Areas and Common Improvements, then the Owner irrevocably appoints the Association, acting through the Board, as his attorney-in-fact to file, negotiate, receive, administer, and distribute the proceeds of any claim against the warranty that pertains to Common Areas and Common Improvements.

8.8. Mold and/or Mildew. Mold and/or mildew can grow in any portion of the Building that is exposed to elevated levels of moisture including, but not limited to, the parking facilities and those portions of the Building in which HVAC condenser units are located. Therefore, all Owners and the Association agree with respect to their defined areas of maintenance responsibility to: (i) regularly inspect the parts of the Building and Unit that they respectively maintain and which are visible and accessible without having to first conduct invasive testing, for the existence of mold, mildew and/or water intrusion (except when the water intrusion is part of the normal functioning of Improvements and appliances such as showers, sinks, dishwashers and other similar appliances and Improvements) and/or damage; (ii) upon discovery, immediately repair in a good and workmanlike condition the source of any water intrusion in the parts of the Building or Unit that they respectively maintain; (iii) remediate or replace any building material located in the parts of the Building or Unit that they respectively maintain that has absorbed water or moisture as a result of water intrusion; and (iv) promptly and regularly remediate all mold and/or mildew discovered in the parts of the Building or Unit that they respectively maintain in accordance with current industry-accepted methods. In addition, the Association agrees to notify the Owners and Declarant, and each Owner agrees to notify the Association and Declarant of the discovery of mold, mildew and/or water intrusion and/or damage in the parts of the Building or Unit that they respectively maintain. Each Owner further agrees not to block or cover or permit anyone to block or cover any of the heating, ventilation or air-conditioning ducts located in his Unit. Notwithstanding anything to the contrary herein, Declarant shall have no obligation to perform any invasive testing or inspections, maintenance or repairs in accordance with this subparagraph and shall not be held liable for any loss or damage caused by the failure of the Association or an Owner to perform their obligations herein.

8.9. Measures Related to Insurance Coverage. 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 Townhome 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 Townhome, reduce the insurance premium paid by the Association for any insurance coverage or otherwise assist the Board in procuring or maintaining such insurance coverage. In addition to, and not in limitation of, any other rights the Association may have, if any Owner does not comply with any requirement made by the Board pursuant to this Section, 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 shall be an individual Assessment and a lien against the Unit as provided herein. The

Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to 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.

8.10 Owner's Default in Maintenance. If the Board determines that an Owner has failed to properly discharge such Owner's obligation to maintain, repair, and replace items for which the Owner is responsible, then the Board may give the Owner written notice of the Association's intent to provide the necessary maintenance at Owner's expense. The notice must state, with reasonable particularity, the maintenance deemed necessary and a reasonable period of time in which to complete the work. If the Owner fails or refuses to timely perform the maintenance, the Association may do so at the Owner's expense, which will be levied as an individual Assessment against the Owner and the Owner's Unit. In case of an emergency, however, the Board's responsibility to give the Owner written notice may be waived and the Board may take any action it deems necessary to protect persons or property, the cost of the action being at the Owner's expense.

8.11. Failure to Maintain. Notwithstanding the foregoing obligations to maintain, repair and replace, if any Owner or those claiming by, through or under it, abuses, misuses or fails to operate, maintain, repair or replace in the manner provided in this Declaration any item for which it is responsible hereunder or otherwise creates a situation in any portion of the Townhome with respect to which non-exclusive easements and licenses have been granted by this Declaration such that said areas require maintenance, repair or replacement in excess of what would be required by normal use of said areas for their intended purposes, the Owner causing the excess use shall be responsible for the excess costs of operating, maintaining, repairing and replacing said areas. Each Owner shall indemnify and hold harmless Declarant, the Association, and the other Owners (except for their own negligence) from all loss, damage, cost, liability or expense, including, without limitation, reasonable attorneys' fees actually incurred, arising from such Owner's failure to operate, maintain, repair or replace in the manner provided in this Declaration any item for which it is responsible hereunder or otherwise creates a situation in any portion of the Townhome with respect to which non-exclusive easements and licenses have been granted by this Declaration such that said areas require maintenance, repair or replacement in excess of what would be required by normal use of said areas for their intended purposes. Each Owner shall maintain and promptly upon request, from time to time, make available to Declarant during the Declarant Control Period, the Association and any other Owner complete maintenance records for its Unit with respect to which easement rights exist under this Declaration. As to any items (such as exterior painting) that require coordination or cooperation as to timing, materials, payment or the like, the parties shall be reasonable in so cooperating and coordinating.

ARTICLE IX

Easements, Licenses and Encroachments

9.1 Recording Data. The Townhome may be subject to easements or licenses granted by the Declarant pursuant to this Declaration. Each Owner, by accepting an interest in or title to a Unit, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to be bound by prior-recorded easements, licenses, leases, and encumbrances. Each Owner further agrees to maintain any easement that crosses such Owner's Unit and for which the Association does not have express responsibility.

9.2 Non-Exclusive Easements. A Unit Owner and lessees of Units in the Townhome, and the members of their families and servants residing in their Units, and their guests and invitees, shall have a valid non-exclusive easement for the use of the Common Areas, subject to the Rules and Regulations of the Association; provided, however that the Association may temporarily suspend the Unit Owner's rights

under the easement for the failure to pay assessments or to abide by the Association's Rules and Regulations for use of the Common Areas and facilities.

9.3 Right of Ingress and Egress. A Unit Owner has an unrestricted right of ingress and egress to his or her Unit. Such right of ingress and egress is perpetual and passes with the transfer of ownership of the Unit.

9.4 Easement for Utility Installation, Repair and Maintenance. The area within 6 feet of the slab of each Building or Unit will be a utility easement to contain underground utilities. Each Unit Owner shall afford to the Association and the other Unit Owners, including Declarant so long as Declarant is a Unit Owner, and the agents and employees of each of the Association and the Unit Owners, access through and across the Townhome, including such Unit Owner's Unit reasonably necessary for: (i) abatement of nuisances or dangerous activities, (ii) the proper maintenance, support, repair, and replacement of utility facilities and other parts of the Townhome, (iii) the proper inspection, maintenance, support, repair, and replacement of fire sprinkler and fire suppression facilities, (iv) utility facilities and other parts of the Townhome, (v) the installation, repair, construction, replacement, and repair of utility facilities, and (vi) to remedy any violation of the Governing Documents. In case of an emergency, no request or notice is required and the right of entry shall be immediate, and with as much force as is reasonably necessary to gain entrance, whether or not the Unit Owner is present at the time.

9.5 Encroachments. To the extent that the construction, reconstruction, repair, shifting, settlement, or other movement of any portion of the Improvements results in a Unit or Common Area or Common Improvement encroaching on another Unit or Common Areas or Common Improvements, a valid easement for both the encroachment and its maintenance shall exist for the entire period during which such encroachment exists; provided however that a valid easement for the encroachment and its maintenance shall not exist if the physical boundaries of a Unit after the construction, reconstruction, repair, shifting, settlement, or other movement of any portion of the improvements is not in substantial accord with the description of those boundaries as described in this Declaration.

9.6 Additional Easements. Declarant reserves the right, without the necessity of the joinder of any other person or any Owner, to grant, dedicate, reserve, or otherwise create from time to time, rights of way, permits, licenses, and easements for public utility purposes or other purposes necessary for the proper operation of the Townhome over and across any portion of the Common Areas and Common Improvements.

9.7 Easement of Cooperative Support. Each Owner is granted an easement of cooperative support over each adjoining Unit and Common Improvement as needed for the common benefit of the Townhome, or for the benefit of Units in the Building, or Units that share any aspect of the Townhome that requires cooperation. By accepting an interest in or title to a Unit, each Owner: (i) acknowledges the necessity for cooperation in a Townhome; (ii) agrees to try to be responsive and civil in communications pertaining to the Townhome and to the Board; (iii) agrees to provide access to his Unit and Common Improvements when needed by the Association to fulfill its duties; and (iv) agrees to refrain from actions that interfere with the Association's maintenance and operation of the Townhome.

9.8 Association's Access Easement. Each Unit Owner, by accepting an interest in or title to a Unit, whether or not it is so expressed in the instrument of conveyance, grants to the Association an easement of access and entry over, across, under, and through the Townhome, including without limitation, all Common Areas and Common Improvements and the Owner's Unit and all Improvements thereon for the below-described purposes. In exercising this easement on an Owner's Unit, the Association is not liable to the Unit Owner for trespass.

(i) To perform inspections and/or maintenance that is permitted or required by the Governing Documents or by Applicable Law.

(ii) To perform maintenance or repair that is permitted or required of the Unit Owner by the Governing Documents or by Applicable Law, if the Owner fails or refuses to perform such maintenance or repair.

(iii) To enforce the Governing Documents.

(iv) To exercise self-help remedies permitted by the Governing Documents or by Applicable Law.

(v) To respond to emergencies, specifically including a minimum 36" clear unobstructed path at the rear of the Units to allow bedroom egress to the public way.

(vi) To perform any and all functions or duties as permitted or required by the Governing Documents or by Applicable Law.

9.9 Drainage Easement. Each Unit Owner grants an easement to the other Unit Owners for stormwater drainage through gutters, pipes, downspouts, roof overhangs, and other drainage facilities.

ARTICLE X

Special Declarant Rights, and the Declarant Control Period

10.1 Special Declarant Rights. The Declarant reserves the following Special Declarant Rights:

(a) to complete or make Improvements indicated on the Plats and Plans filed with this Declaration;

(b) to maintain sales, management, or leasing offices, and models in Units or on the Common Areas for as long as the Declarant owns a Unit;

(c) to maintain signs on the Townhome to advertise the Townhome;

(d) to use, and to permit others to use, easements through the Common Areas as may be reasonably necessary for the purpose of discharging the Declarant's obligations under this Declaration; and

(e) to appoint or remove any officer of the Association or any director during the Declarant Control Period, subject to the provisions of Section 10.3 of this Declaration.

10.2 Limitations on Special Declarant Rights. Unless sooner terminated by a recorded instrument signed by the Declarant, the Declarant may exercise any Special Declarant Right.

10.3 Declarant Control of the Association.

(a) There shall be a period of Declarant control of the Association during which the Declarant, or persons designated by the Declarant, may appoint and remove the officers and members of Board of Directors (the "Declarant Control Period"). On or before the 120th day after the date 75 percent of the lots

that may be created and made subject to the declaration are conveyed to owners other than a declarant, at least one-third of the board members must be elected by owners other than the declarant.

10.4 Utility Easement. Declarant during the Development Control Period, and the Association thereafter, may grant permits, licenses, and easements over the Common Areas for utilities, and other purposes reasonably necessary for the proper operation of the Townhome. Declarant during the Development Control Period, and the Association thereafter, may grant easements over and across the Units to the extent necessary or required to provide utilities to Units; provided, however, that such easements will not unreasonably interfere with the use of any Unit for residential purposes. This provision is not intended to modify the terms and provisions of any easements granted to a utility company, the general public or to any government authority (i.e., not as the Owner of any Unit), and the utility easement may include, without limitation, easements over and across the Land granted to the City of Houston or any utility provider as may be necessary to provide utilities to the Townhome, including but not limited to chilled water service. A company or entity, public or private, furnishing utility service to the Townhome, is hereby granted an easement over the Land for ingress, egress, meter reading, installation, maintenance, repair, or replacement of utility lines and equipment, and to do anything else reasonably necessary to properly maintain and furnish utility service to the Land; provided, however, this easement may not be exercised without prior notice to the Board. Utilities may include, but are not limited to, water, sewer, trash removal, electricity, gas, internet service, cable service, and telecommunications.

10.5 Easements Reserved to Declarant. During any period that Declarant owns a Unit, Declarant and its duly authorized contractors, subcontractors, representatives, agents, associates, employees, tenants and successors and assigns shall have: (i) a non-exclusive easement for access and ingress to, egress from and use of the Common Areas and Common Improvements for the placement and maintenance of signs, banners, balloons, decorations, marketing materials and tables, a sales office, a leasing office, a business office, promotional facilities and model units, together with such other facilities as in the opinion of Declarant may be reasonably required, convenient or incidental to the completion, renovation, improvement, development, sale or lease of any Unit, or any portion thereof; and (ii) a nonexclusive easement to use and enjoy the Common Areas for special events, promotional activities and grand opening celebrations. In connection with the hosting of special events, promotional activities and grand opening celebrations in the Common Areas, Declarant shall be permitted to have live entertainment, and any noise created therefrom shall not be deemed a nuisance and shall not cause Declarant and its representatives, agents, associates, employees, tenants and guests to be deemed in violation of any provision of the Governing Documents.

10.6 Easement to Inspect and Right to Correct. During the Development Control Period, Declarant reserves for itself and for Declarant's architect, engineer, other design professionals, builder, and general contractor the right, but not the duty, to inspect, monitor, test, redesign, correct, and relocate any structure, Improvement, or condition that may exist on any portion of the Townhome, including the Units, and a perpetual nonexclusive easement of access throughout the Land to the extent reasonably necessary to exercise this right. Declarant or any party exercising the rights reserved hereunder will promptly repair, at its sole expense, any damage resulting from the exercise of this right. By way of illustration but not limitation, relocation of mechanical or electrical facilities may be warranted by a change of circumstance, imprecise siting of the original facilities, or the desire or necessity to comply more fully with Applicable Law. This Section may not be construed to create a duty for Declarant or any third party, and may not be amended without Declarant's written and acknowledged consent. In support of this reservation, each Owner, by accepting an interest in or title to a Unit, hereby grants to Declarant, and the Declarant's architect, engineer, other design professionals, builder, and general contractor an easement of access and entry over, across, under, and through the Land, including without limitation, all Common Areas and Common Improvements and each Unit for the purposes contained in this Section.

10.7 **Deed of Common Areas.** Within 120 days of the date that Declarant has sold all of its Units, then Declarant has the election to convey all common areas to the Association by a Deed Without Warranty.

ARTICLE XI

Insurance

11.1 **Association's Insurance.** The Association shall require each Unit owner to obtain insurance for all portions of the Townhome. Unit Owner's will keep proof of insurance on file when required by The Board. The Board may also obtain such other insurance in such reasonable amounts as the Board may deem desirable, including but not limited to what is commonly referred to as an Umbrella or Master Policy. The Association does not provide liability coverage for accidents or occurrences that occur within that portion of a Unit that are reserved for an Owner's exclusive use and occupancy. The Board shall be required to obtain fidelity insurance covering all individuals responsible for handling funds of the Association. The amount of the fidelity insurance coverage will be determined by the Board, but will not be less than an amount equal to one-fourth (1/4th) of the total regular Assessments levied by the Board during any twelve (12) month period plus any replacement reserves on hand.

11.2 **Owner's Insurance.** Each Owner shall be solely responsible for and will obtain insurance on such Owner's Unit and its contents. Each Owner shall also maintain under such Owner's insurance policy personal and general liability insurance against claims for personal injury or death or property damage suffered by the public or any other Owner or Member, family members, agents, employees, or invitees of any other Owner or Member, or any agent (including Declarant's agent), employee, officer, director or contractor of the Association or the Declarant, occurring in, on or about said Owner's Unit, which insurance shall afford protection to such limits as the Board shall deem desirable. In the event that an Owner does not secure insurance, then the Association may secure the insurance and charge the cost to said Owner. The Association shall be named as additional insured on all insurance policies.

11.3 **Waiver of Subrogation.** All insurance policies provided for in this Article XI shall contain provisions requiring the insurer to waive subrogation rights as against all Owners and the family members of said Owners, Declarant, Declarant's agents, the Association, and the officers and directors of the Association with respect to, but only to, the extent of any losses covered by such insurance.

ARTICLE XII

Damage to or Destruction of Property

12.1 **Duty to Restore.** A portion of the Townhome for which insurance is secured and that is damaged or destroyed must be repaired or replaced promptly by the Association unless:

- (a) the Townhome is terminated;
- (b) repair or replacement would be illegal under any state or local health or safety statute or ordinance; or
- (c) at least eighty percent (80%) of the Unit Owners, including each Unit Owner of a Unit that will not be rebuilt or repaired, and Eligible Mortgagees vote to not rebuild.

12.2 **Cost.** The cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense.

ARTICLE XIII

Condemnation

13.1 Condemnation. If part or all of the Townhome is taken by any power having the authority of eminent domain, all compensation and damages for and on account of the taking shall be payable in accordance with the percentages set out in Exhibit A. Participation by the Board or the Association in a condemnation proceeding shall be a Common Expense, and the Board shall have the authority to engage counsel, appraisers, engineers, and other experts to assist in the condemnation proceeding. In the event that a condemnation action threatens a Common Areas and Common Improvements not assigned exclusively to one Unit, the Board shall have the discretion to determine whether to contest the condemnation proceeding, to make a settlement in such proceeding, or to convey such property to the condemning authority in lieu of such condemnation proceeding. After a taking of a Common Area, the Board shall determine in its discretion whether to replace or restore the Common Area damaged, destroyed, or taken. In the event that a condemnation action threatens a Common Improvement assigned exclusively to one Unit, the Owner of such Unit shall have the discretion to determine whether to contest the condemnation proceeding, to make a settlement in such proceeding, or to convey such property to the condemning authority in lieu of such condemnation proceeding.

ARTICLE XIV

Amendment and Termination of Declaration

14.1 Amendment by Declarant. Declarant may amend this Declaration at any time prior to the sale of a Unit to an Owner other than Declarant.

14.2 Termination. Any action to terminate the legal status of the Townhome after substantial destruction or condemnation occurs must be agreed to by Unit Owners who represent at least eighty percent (80%) of the votes in the Association. Notwithstanding any lower requirement permitted by this Declaration, any actions to terminate the legal status of the Townhome for reasons other than substantial destruction or condemnation of the Townhome must be agreed to by Unit Owners who represent at least eighty percent (80%) of the votes in the Association.

14.3 Limitations on Amendments. No amendment may be made, unless approved by Owners who hold at least sixty-seven percent (67%) of the votes in the Association. This percentage includes but is not limited to the following:

- (a) by act or omission seek to abandon, encumber, sell, withdraw, convert or transfer the Common Area, except for granting public utility easements across or through the same.
- (b) modify the assessment lien established in this Declaration or the priority thereof;
- (c) reduce the reserve requirements for maintenance, repair, or replacement of the Common Areas and Common Improvements;
- (d) modify the responsibilities for maintenance and repairs;
- (e) modify hazard or fidelity insurance requirements;
- (f) modify the provisions relating to the repair or restoration of the Townhome after a casualty or condemnation;

- (g) modify, add, or delete any provision that expressly benefits Eligible Mortgagees;
- (h) modify the dispute resolution procedure other than to conform such provisions to Texas law.

No amendment may, unless approved by Owners who hold one hundred percent (100%) of the votes in the Association:

- (a) change the voting rights or the Percentage Allocation to any Unit, other than a change due to a taking by eminent domain (or sale in lieu thereof) or otherwise permitted under this Declaration;
- (b) increase the number, whether by partition, subdivision or otherwise, of Units or any part of the Common Areas;
- (c) create or increase any special rights reserved by Declarant hereunder;
- (d) alter or destroy a Unit or a Common Areas and Common Improvements;
- (e) impose any further restrictions on the leasing of Units or an Owner's right and ability to sell or convey such Owner's Unit; or
- (f) redefine any Unit boundaries or convert any Unit into Common Area, except as expressly permitted under this Declaration.

The procedure for amendment must follow the procedures under Texas law.

14.4 Amendments by Board of Directors or Declarant. The Board of Directors or the Declarant, if the Declarant owns a Unit that has never been occupied, may without a vote of the Unit Owners or approval of the Association amend the Declaration in any manner necessary to meet the requirements of the Federal National Mortgage Association, the Federal Home Mortgage Corporation, the Federal Housing Administration, or the Veterans Administration.

ARTICLE XV

Mortgage Protection

15.1 Notice of Actions.

- (a) The Association shall give timely written notice to each holder, insurer, or guarantor of a Mortgage on any Unit in the Townhome of which it has received notice pursuant to subsection (b) of:
 - (i) any condemnation or casualty loss that affects a material portion of the Townhome property or applicable Unit;
 - (ii) any delinquency in the payment of assessments or charges owed by the Unit Owner more than sixty (60) days past due as to the applicable Unit; and
 - (iii) any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

(b) A holder, insurer or guarantor of a Mortgage on any Unit must notify the Association in writing of its name and address and inform the Association that it holds a security interest in a Unit. It must provide the Association with the Unit number and address of the Unit on which it holds a security interest.

ARTICLE XVI

Right to Assign Future Income

16.1 Right to Assign Future Income. The Association may assign its right to future income, including the right to receive Assessments, only by the affirmative vote of Unit Owners to which at least fifty-one percent (51%) of the votes in the Association are allocated, at a meeting called for that purpose and only after payment of all accrued and outstanding expenses and after making provision for the payment of all ordinary operating expenses of the Townhome for the period during which the right to future income, including the right to receive Assessments has been assigned.

ARTICLE XVII

Rights of Action, Remedies

17.1 Introduction. It is Declarant's intent that all Units and Common Areas and Common Improvements will be constructed in compliance with all applicable building codes and ordinances and that such Improvements are of a quality that is consistent with good construction and development practices for similar projects. Nevertheless, disputes may arise concerning the existence of defects in a Unit or the Common Areas and Common Improvements and the Declarant's responsibility for correcting such defects. It is Declarant's intent to resolve all Claims (as defined herein) pertaining in any way to the Townhome amicably, without the necessity of time-consuming and costly litigation. All Claims relating to or in connection with an Alleged Defect (as defined below) shall be subject to the Declarant's right to cure set forth in Section 17.3. Following the conclusion of the procedures for cure of the Alleged Defect set forth in Section 17.3, if a Claimant is still not satisfied, Claimant's **SOLE REMEDY** is to initiate arbitration under the procedures set forth in Section 17.4. All other Claims arising out of or in connection with the Townhome are subject to the binding arbitration procedures of Section 17.4.

17.2 Definitions. In this Article XVII only, the terms below are defined as follows:

a. "Claim" means any claim, demand, grievance, or dispute brought by a Claimant involving the Townhome, including but not limited to the following:

1. Claims arising out of or relating to the interpretation, application, or enforcement of the Governing Documents.
2. Claims relating to the rights and/or duties of Declarant as the Declarant under the Governing Documents.
3. Claims relating to the sale or purchase of a Unit in the Townhome.
4. Claims related to an Alleged Defect.

A "Claim" shall not include the following:

1. The Association's claim for Assessments and any action by the Association to collect Assessments.
2. An action by the Association to obtain a temporary restraining order or equivalent emergency equitable relief, and other such ancillary relief as the court deems necessary to maintain the status quo and preserve the Association's ability to enforce the Declaration.

3. Enforcement of the easements, architectural control, maintenance, and use restrictions of this Declaration.

b. "Alleged Defect" means a claimed defect in the design, construction, development, repair or maintenance of the Townhome, or a claim that Declarant, its agents, consultants, contractors, or subcontractors were negligent or are otherwise liable for defects in the planning, design, engineering, grading, construction or other development of the Units or Common Areas and Common Improvements.

c. "Claimant" means an Owner, the Association, any other person subject to this Declaration, or any person not subject to this Declaration who agrees to submit to this Article XVII, who brings a Claim.

d. "Declarant" includes individually and collectively the Declarant as defined in Article I, and Declarant's architects, engineers, other design professionals working for or on behalf of Declarant, Declarant's general contractor, and their respective officers, directors, principals, employees, and agents.

17.3 Declarant's Right to Cure Alleged Defects.

a. Declarant hereby reserves the right and easement for itself and its successors and assigns to inspect, repair, replace, and otherwise correct defects in any Unit or Common Areas and Common Improvements.

b. A Claimant shall, within fifteen (15) days after discovery of any Alleged Defect, deliver a written notice (the "Notice of Alleged Defect") to Declarant which shall include (i) a preliminary list of Alleged Defects (the "Preliminary List of Alleged Defects"); (ii) a narrative description of the alleged cause of the Alleged Defects, if known; (iii) the basis by which such Alleged Defects are Declarant's responsibility; (iv) a description of the testing and inspections, if any, conducted or commissioned by the Claimant in connection with the Alleged Defect.

c. The Notice of Alleged Defect shall, upon delivery to Declarant, commence a period of time not to exceed sixty (60) days, unless the Claimant and Declarant agree to a longer time, during which the Claimant and Declarant shall attempt to resolve the dispute in accordance with Section 17.3.

d. Except as provided in this Section 17.3, the Notice of Alleged Defect shall, upon mailing, toll all statutory and contractual limitations on actions against the parties who may be responsible for the Alleged Defect, whether named in the notice or not, including claims for indemnity applicable to the claim, for a period of one hundred fifty (150) days or longer as agreed to in writing by Claimant and Declarant. Provided, however, at any time, Declarant may give written notice to Claimant canceling the tolling of the statute of limitations, and upon delivery of said notice, the Claimant and Declarant shall be relieved of any further obligations under this Section 17.3. The tolling of the statute of limitations shall cease sixty (60) days after delivery of the notice by Declarant canceling the tolling of limitations.

e. Within twenty-five (25) days after the Claimant delivers to Declarant the Notice of Alleged Defect, Declarant may request in writing to meet with the Claimant (the "Initial Meeting") and to inspect the Alleged Defect and conduct testing, including testing which may cause physical damage to the Units and/or Common Areas and Common Improvements in order to evaluate the Claim. If Declarant does not make a timely request for the Initial Meeting, then the Claimant and Declarant shall be relieved of any further obligations under this Section 17.3. Unless Declarant and Claimant agree otherwise, the Initial Meeting shall take place no later than ten (10) days after the date that Declarant requests the Initial Meeting.

at a mutually-agreeable time and place. The Initial Meeting shall be for the purpose of discussing the following:

1. the nature and extent of the Alleged Defect;
2. the proposed methods of correction to the extent the parties have sufficient information to propose a method of correction;
3. any proposals for submitting the Claim to arbitration; and
4. requests by Declarant to inspect the portion of the Units and/or Common Areas and Common Improvements at which the Alleged Defect exists.

f. If the Claimant has conducted or commissioned any inspection or testing of the Alleged Defect prior to the Initial Meeting, then Claimant shall provide copies of said tests and or inspection reports to Declarant prior to the Initial Meeting or within five (5) days of Claimant's receipt of the same if received after the Initial Meeting. Declarant shall have the right to enter upon the Units and the Common Areas and Common Improvements for the purposes of inspecting, testing, and analyzing the Units and Common Areas and Common Improvements to determine the existence and/or extent of the Alleged Defect. Such tests shall be at Declarant's sole cost and expense. The Claimant shall cooperate with Declarant's efforts in this regard. The results of the testing or inspections shall not be inadmissible in an arbitration proceeding under Section 17.4 solely because it was conducted pursuant to this Section 17.3.

g. Within thirty (30) days after the completion of Declarant's testing and inspection or within thirty (30) days after the Initial Meeting if no testing or inspections have occurred, Declarant shall submit to the Claimant a written notice containing the results of its initial analysis of the Alleged Defect, and if warranted, a settlement offer and an explanation of the basis for the settlement offer.

h. Within thirty (30) days after receipt of the settlement offer provided for in the preceding paragraph, Claimant shall either accept or reject the settlement offer in writing.

i. If Claimant is relieved of its obligations under this Section 17.3 or if Claimant rejects the Declarant's settlement offer, then the Claimant **AS ITS SOLE AND EXCLUSIVE REMEDY** may submit the Claim to binding arbitration in accordance with the terms and provisions of Section 17.4

j. If the Claimant accepts Declarant's settlement offer, Declarant shall proceed to remedy the Alleged Defect in accordance with the terms of the settlement offer, and shall provide written notice to Claimant upon completion of said remedial work.

k. Nothing in this Section 17.3 shall be construed to impose upon Declarant the obligation to inspect, repair, or replace any item or Alleged Default for which Declarant is not otherwise obligated to do under applicable law. The right of Declarant to enter, inspect, repair, and or replace reserved herein shall be irrevocable and may not be waived or otherwise terminated except by a written instrument recorded by the Declarant with the Harris County Clerk.

17.4 Binding Arbitration. In the event that a Claimant brings a Claim against Declarant, and such Claim does not relate to an Alleged Defect, or in the event that a Claim is asserted against Declarant in connection with an Alleged Defect, and the procedures set forth in Section 17.3 have been followed and complied with or waived or abandoned, then the Claimant and Declarant shall be obligated to arbitrate such Claim unless Declarant specifically waives arbitration in writing. Declarant may, by summary proceedings, bring an action in court to compel arbitration of any Claim not referred to arbitration as required by this Section 17.4. **IT IS UNDERSTOOD AND ACKNOWLEDGED BY ALL OWNERS AND THE ASSOCIATION THAT THE BINDING ARBITRATION PROCEDURES SET FORTH HEREIN**

ARE THE SOLE AND EXCLUSIVE REMEDIES FOR AN OWNER OR THE ASSOCIATION IN THE EVENT OF A CLAIM.

a. Each Claim shall be resolved by binding arbitration in accordance with the terms of this Section 17.4, the Commercial Arbitration Rules of the American Arbitration Association, and to the maximum extent applicable, the Federal Arbitration Act (Title 9 of the United States Code). In the event of any inconsistency between this Section 17.4 and such statute and rules, then this Section shall control. Judgment upon the award entered by the arbitrators shall be binding and not subject to appeal, but may be reduced to judgment in any court having jurisdiction. In order to initiate the arbitration hereunder, one party to the Claim shall serve on the other party or parties to the Claim a written notice of request to submit the Claim to binding arbitration. The written notice shall describe the Claim in detail and provide contact information for the Claimant. Either the Claimant or the responding party may submit the written notice to the American Arbitration Association or a similar arbitration body or organization and initiate the arbitration.

b. No provision of, nor the exercise of any rights under this Section 17.4 shall limit the right of Declarant or Claimant to seek, use, and employ ancillary or preliminary remedies, judicial or otherwise for the purposes of protecting or preserving any property involved in a Claim. The institution of any action for judicial relief or pursuit of any provisional or ancillary remedies or exercise of any self-help remedies shall not constitute a waiver of the right of any party to submit the Claim to arbitration nor render inapplicable the mandatory arbitration provisions hereof.

c. All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding under this Section 17.4.

d. Unless the parties to the arbitration agree otherwise, all arbitration proceedings shall be arbitrated by a panel of three (3) arbitrators, which panel shall be appointed by the American Arbitration Association, or other arbitration body or organization in accordance with its appointment procedures.

e. The arbitrators shall resolve all Claims in accordance with the applicable substantive law. The arbitrators may grant any remedy or relief that they deem just and equitable and within the scope of this Section 17.3, provided however that in no event shall the arbitrator award damages which exceed the damages for construction defects the Claimant or Declarant would be entitled to under Chapter 27 of the Texas Property Code. The arbitrators may also grant such ancillary relief as is necessary to make effective the award.

f. To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within one hundred eighty (180) days of the delivery of written notice of the Claim is given to the responding party under Section 17.3(a). All arbitration proceedings shall be conducted in Houston, Texas. The arbitrators shall be empowered to impose sanctions and to take such other actions as the arbitrators deem necessary consistent with the powers given to a judge under the Federal Rules of Civil Procedure and the Texas Rules of Civil Procedure. To the extent permitted by Chapter 27 of the Texas Property Code, the arbitrators shall have the power to award recovery of all costs and fees (including attorney's fees, administrative fees, expert fees, and arbitration costs) to the prevailing party. Each party agrees to keep all Claims and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by applicable laws or regulations.

17.5 Attorney's Fees and Defense Costs. If an Owner or the Association brings a Claim against Declarant, or its architects, engineers, other design professionals working for or on behalf of Declarant, or

Declarant's general contractor, or any of their respective officers, directors, principals, employees, and agents, which arises from or in connection with the Townhome, and such Claim does not result in a finding, judgment, or decision of liability or fault (in whole or part) on the part of the responding or defending party, then notwithstanding the provisions of Section 17.4(f), the Owner or the Association bringing such Claim shall pay for all reasonable and necessary attorney's fees, expert fees, and other costs and fees incurred by the responding or defending party in successfully defending such Claim. The terms and provisions of this Section 17.5 shall not be amended or modified without the consent of Declarant.

17.6 Procedures Relating to Claims Relating to Defects or Design.

(a) Before initiating an arbitration proceeding to resolve a Claim pertaining to the construction or design of a Unit or the Common Areas and Common Improvements, the Association must:

(1) obtain an inspection and a written independent third-party report from a licensed professional engineer that:

(a) identifies the specific Units or Common Areas and Common Improvements subject to the Claim;

(b) describes the present physical condition of the Units or Common Areas and Common Improvements subject to the Claim; and

(c) describes any modifications, maintenance, or repairs to the Units or Common Areas and Common Improvements performed by the Unit Owners or the Association; and

(2) obtain approval from Unit Owners holding more than fifty percent (50%) of the total votes allocated under the Declaration, voting in person or by proxy, at a regular, annual, or special meeting called in accordance with the Declaration or Bylaws, as applicable.

(b) The Association must provide written notice of the inspection to be conducted by the engineer to each party subject to a Claim not later than the tenth (10th) day before the date the inspection occurs. The notice must:

(1) identify the party engaged to prepare the report required by Section 17.6(a)(1);

(2) identify the specific Units or Common Areas and Common Improvements to be inspected; and

(3) include the date and time the inspection will occur.

(c) Each party subject to a Claim may attend the inspection conducted by the engineer, either personally or through an agent.

(d) Before providing the notice of the meeting under Subsection (e), the Association must:

(1) on completion of the independent third-party report, provide the report to each Unit Owner and each party subject to a Claim; and

(2) allow each party subject to a claim at least ninety (90) days after the date of completion of the report to inspect and correct any condition identified in the report.

(e) Not later than the thirtieth (30th) day before the date the meeting described by Subsection (a)(2) is held, the Association must provide each Unit Owner with written notice of the date, time, and location of the meeting. The notice must also include:

(1) a description of the nature of the Claim, the relief sought, the anticipated duration of prosecuting the claim, and the likelihood of success;

(2) a copy of the report required by Subsection (a)(1);

(3) a copy of the contract or proposed contract between the Association and the attorney selected by the Board to assert or provide assistance with the Claim;

(4) a description of the attorney's fees, consultant fees, expert witness fees, and court costs, whether incurred by the Association directly or for which the Association may be liable as a result of prosecuting the Claim;

(5) a summary of the steps previously taken by the Association to resolve the Claim;

(6) a statement that initiating a lawsuit or arbitration proceeding to resolve a Claim may affect the market value, marketability, or refinancing of a Unit while the Claim is prosecuted; and

(7) a description of the manner in which the association proposes to fund the cost of prosecuting the Claim.

(f) The notice required by Subsection (e) must be prepared and signed by a person who is not:

(1) the attorney who represents or will represent the Association in the Claim;

(2) a member of the law firm of the attorney who represents or will represent the Association in the Claim; or

(3) employed by or otherwise affiliated with the law firm of the attorney who represents or will represent the Association in the Claim.

ARTICLE XVIII

Miscellaneous

18.1 Appointment of Attorney-in-Fact. Each Unit Owner, by acceptance of a deed or other instrument of conveyance from Declarant or from any Unit Owner or grantor resulting in ownership of a Unit, shall be deemed to appoint the Association as his or her true and lawful attorney-in-fact (which shall be deemed to be an irrevocable power of attorney coupled with an interest and not voidable due to the incapacity or disability of a Unit Owner) to act in connection with all matters concerning the maintenance of insurance policies and the destruction, repair or obsolescence of the Townhome, in whole or in part. Without limiting the generality of the foregoing, the Association, by and through its President or Vice President, shall have full power and authority to purchase and maintain such insurance, to collect and remit the premiums therefor, to collect proceeds, to institute and prosecute litigation or arbitration, to pay all costs associated with its activities as Common Expenses (to the extent the proceeds received from such insurance are not adequate to pay such costs), to administer the distribution of such proceeds in connection with any reconstruction or repair, to distribute any remaining proceeds to Unit Owners and their mortgagees (subject

to the provisions of the Governing Documents) as their interests may appear, to execute releases of liability, and to execute all documents and to do all things on behalf of the Unit Owners and the Townhome as shall be necessary or convenient to the accomplishment of the foregoing; and any insurer may deal exclusively with the Association in regard to such matters (other than exercising any voting rights in determining whether to repair or reconstruct). The Association shall not be responsible for procurement or maintenance of any insurance covering the contents or the interior of any Unit (except to the extent available by endorsement as herein provided) or covering the liability of any Unit Owner for occurrence not caused or connected with the Association's operation, maintenance or use of the Townhome.

18.2 Security. The Association and/or Declarant shall not in any way be considered an insurer or guarantor of security within the Townhome. Neither shall the Association be held liable for any loss or damages by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. The Association does not represent or warrant that any fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devices or other security systems (if any are present) will prevent loss by fire, smoke, burglary, theft, hold-up or otherwise, nor that fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devices or other security systems will in all cases provide the detection or protection for which the system is designed or intended. The Association is not an insurer and each Owner and occupant of any Unit and each tenant, guest and invitee of any Owner assumes all risks for loss or damage to persons, to Units and to the contents of Units and acknowledges that the Association has made no representations or warranties nor has the Association, any Owner, occupant, tenant, guest or invitee relied upon any representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devices or other security systems recommended or installed or any security measures undertaken within the Townhome.

18.3 Captions. Captions in this Declaration are inserted for convenience of reference only and do not define, describe or limit the scope or the intent of this Declaration or any of the terms hereof.

18.4 Exhibits. All exhibits referred to herein and attached hereto are a part hereof.

18.5 Attorneys' Fees. Should any party hereto employ an attorney for the purpose of enforcing or construing this Declaration, or any judgment based on this Declaration, in any legal proceeding whatsoever, including insolvency, bankruptcy, arbitration, declaratory relief or other litigation, the prevailing party shall be entitled to receive from the other party or parties thereto reimbursement for all reasonable attorneys' fees and all costs, whether incurred at the trial or appellate level, including but not limited to service of process, filing fees, court and court reporter costs, investigative costs, expert witness fees and the cost of any bonds, whether taxable or not, and such reimbursement shall be included in any judgment, decree or final order issued in that proceeding. The "prevailing party" means the party in whose favor a judgment, decree, or final order is rendered.

18.6 Governing Law. This Declaration shall be construed and enforced in accordance with the laws of the State of Texas.

18.7 Severability. If any term, covenant, condition, provision or agreement herein contained is held to be invalid, void or otherwise unenforceable by any court of competent jurisdiction, the fact that such term, covenant, condition, provision or agreement is invalid, void or otherwise unenforceable shall in no way affect the validity or enforceability of any other term, covenant, condition, provision or agreement herein contained.

18.8 Gender. The use of the masculine gender refers to the feminine gender, and vice versa, and the use of the singular includes the plural, and vice versa, whenever the context of the Governing Documents so requires.

18.9 Waiver. No provision contained in the Governing Documents is abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches that may occur.

18.10 Defined Terms. Other capitalized terms not defined herein or in the Governing Documents shall have the meaning generally attributed to a Townhome or condo type project.

18.11 Rights of Action. Except as provided herein, the Association and any aggrieved Unit Owner shall have a right of action against the Declarant, a Unit Owner or any other person who fails to comply with the provisions of the Governing Documents or the decisions made by the Association. A Unit Owner has a right of action against the Association for a violation of the Governing Documents or the decision of the Association.

The Declarant has caused this Declaration to be executed this 17th day of April, 2025

Declarant:

Creekmont Corner, LLC, a Texas limited liability company
By its Manager,
Pnovo-RE, LLC, a Texas limited liability company

By:

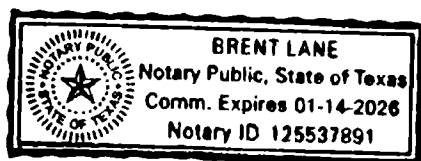
Andre Jamal Reed
Andre Jamal Reed, Managing Member

THE STATE OF TEXAS

COUNTY OF HARRIS

§
§
§

This instrument was acknowledged before me on the 17th of April, 2025, by Andre Jamal Reed, Managing Member of Pnovo-RE, LLC, a Texas limited liability company, as Manager of Creekmont Corner, LLC, a Texas limited liability company, on behalf of said limited liability company.



[Signature]
Notary Public Signature

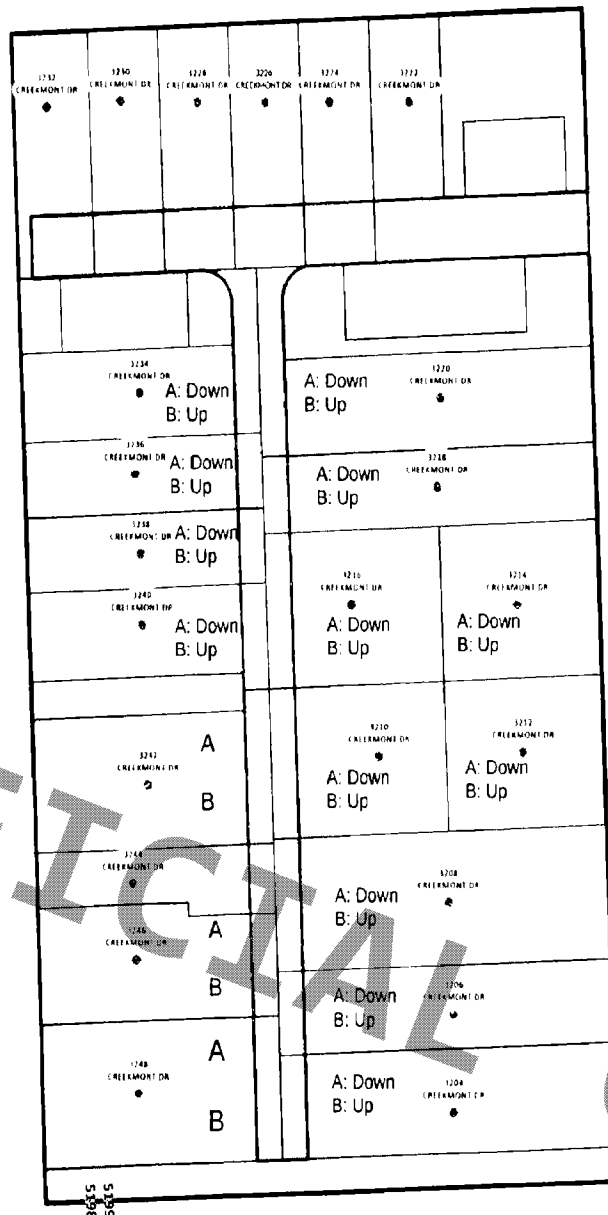
Exhibits: Exhibit "A" – Percentage of Assessment for each Unit
 Exhibit "B" – Plats and Plans
 Exhibit "C" – Certificate of Formation of the Association
 Exhibit "D" – Bylaws of the Association
 Exhibit "E" – Lienholder Consent
 Exhibit "F" – Description of Common Wall
 Exhibit "G" – Records Production Policy
 Exhibit "H" – Payment Plan Policy
 Exhibit "I" – Document Retention Policy
 Exhibit "J" – Deed Restriction Enforcement Policy

Exhibit "A"

Plat Lot#	House Number	Street	City, State Zip	Approx Living SF	% Ownership
1	3248	Creekmont Dr	Houston, TX 77091	1792	4.398%
2	3246	Creekmont Dr	Houston, TX 77091	2168	5.321%
3	3244	Creekmont Dr	Houston, TX 77091	896	2.199%
4	3242	Creekmont Dr	Houston, TX 77091	2168	5.321%
5	3240	Creekmont Dr	Houston, TX 77091	2006	4.923%
6	3238	Creekmont Dr	Houston, TX 77091	2006	4.923%
7	3236	Creekmont Dr	Houston, TX 77091	2006	4.923%
8	3234	Creekmont Dr	Houston, TX 77091	2006	4.923%
9	3232	Creekmont Dr	Houston, TX 77091	1643	4.032%
10	3230	Creekmont Dr	Houston, TX 77091	1643	4.032%
11	3228	Creekmont Dr	Houston, TX 77091	1643	4.032%
12	3226	Creekmont Dr	Houston, TX 77091	1643	4.032%
13	3224	Creekmont Dr	Houston, TX 77091	1643	4.032%
14	3222	Creekmont Dr	Houston, TX 77091	1643	4.032%
15	3220	Creekmont Dr	Houston, TX 77091	2006	4.923%
16	3218	Creekmont Dr	Houston, TX 77091	2006	4.923%
17	3216	Creekmont Dr	Houston, TX 77091	1412	3.465%
18	3214	Creekmont Dr	Houston, TX 77091	1412	3.465%
19	3210	Creekmont Dr	Houston, TX 77091	1412	3.465%
20	3212	Creekmont Dr	Houston, TX 77091	1412	3.465%
21	3208	Creekmont Dr	Houston, TX 77091	2168	5.321%
22	3206	Creekmont Dr	Houston, TX 77091	2006	4.923%
23	3204	Creekmont Dr	Houston, TX 77091	2006	4.923%
					100%

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COPY



5399
5398

WHEATLEY ST

5263

ADDRESSES

- PRELIMINARY
- PERMANENT

ROADS

➔ LOCAL

APP NO. 2024-2489

HOLIDAY STATION

Can you make a guess about the size of the number?

Exhibit "B"
2 pages

UNOFFICIAL COPY

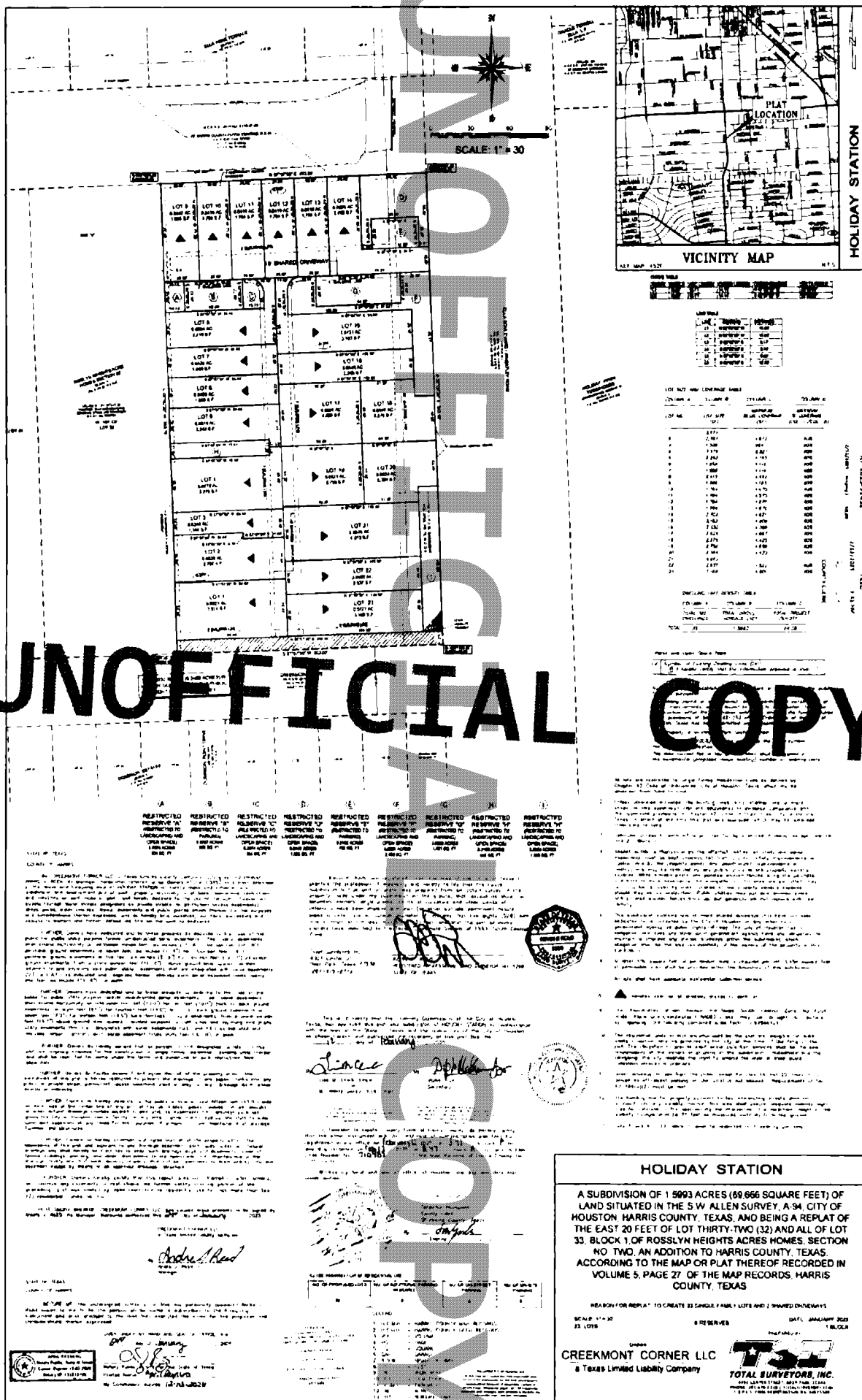


Exhibit "C" 5 pages

Form 202

Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
FAX: 512/463-5709

Filing Fee: \$25



**Certificate of Formation
Nonprofit Corporation**

Filed in the Office of the
Secretary of State of Texas
Filing #: 805928317 03/03/2025
Document #: 1457070000002
Image Generated Electronically
for Web Filing

Article 1 - Corporate Name

The filing entity formed is a nonprofit corporation. The name of the entity is :

Holiday Station Owners Association, Inc.

Article 2 - Registered Agent and Registered Office

☐ A. The initial registered agent is an organization (cannot be corporation named above) by the name of:

OR

☒ B. The initial registered agent is an individual resident of the state whose name is set forth below:

Name:

Andre J Reed

C. The business address of the registered agent and the registered office address is:

Street Address:

1144 Du Barry Ln Houston TX 77018

Consent of Registered Agent

☐ A. A copy of the consent of registered agent is attached.

OR

☒ B. The consent of the registered agent is maintained by the entity.

Article 3 - Management

☐ A. Management of the affairs of the corporation is to be vested solely in the members of the corporation.

OR

☒ B. Management of the affairs of the corporation is to be vested in its board of directors. The number of directors, which must be a minimum of three, that constitutes the initial board of directors and the names and addresses of the persons who are to serve as directors until the first annual meeting or until their successors are elected and qualified are set forth below.

Director 1: **Andre J Reed**

Title: **Director**

Address: **1144 Du Barry Ln Houston TX, USA 77018**

Director 2: **Paul Campbell**

Title: **Director**

Address: **2 Concord Cir Houston TX, USA 77024**

Director 3: **Valerie Reed**

Title: **Director**

Address: **1144 Du Barry Ln Houston TX, USA 77018**

Article 4 - Organization Structure

☒ A. The corporation will have members.

or

☐ B. The corporation will not have members.

Article 5 - Purpose

The corporation is organized for the following purpose or purposes:

The purposes of the corporation shall be to conduct any lawful business for which nonprofit corporations may be organized under the Code, as from time to time authorized by the corporation's Board of Directors, including but not

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limited to engaging in all business necessary to operate as an owners association for a condominium in the State of Texas established pursuant to Texas Residential Property Owners Protection Act, Texas Property Code, Title 7, Chapter 82, § 82.001 et seq. In pursuit of its purposes, which shall be interpreted in the broadest possible way, the corporation shall have all the powers and authority granted to it or allowed by law.

Supplemental Provisions / Information

MEMBERSHIP AND VOTING

The corporation shall have voting members, but shall not issue shares of stock evidencing membership in the corporation. Voting rights in the corporation shall be governed by the terms of the Bylaws of Holiday Station Owners Association, Inc. ("Bylaws") and the Declaration of Covenants, Conditions, and Restrictions for Holiday Station Owners Association, Inc., which has been, or will be, recorded in the real property records of Harris County, Texas ("Declaration").

ARTICLE VI EXISTENCE, DISSOLUTION, DISTRIBUTION OF ASSETS

The existence of the corporation shall be perpetual, unless dissolved according to law. Upon any dissolution, the corporation's Board of Directors shall distribute the assets of the corporation in a manner consistent with the Act and other Texas law.

ARTICLE VII BOARD OF DIRECTORS

The business and affairs of the corporation shall be managed, and its corporate powers shall be exercised, by a Board of Directors. The Bylaws and the Declaration set forth the powers and duties of the Board of Directors and contain other provisions governing and regulating the Board of Directors. Initially the Board of Directors will consist of three (3) directors. The number of directors may be amended from time to time as set forth in the Bylaws or Declaration, but in no event shall the Board of Directors consist of less than three (3) directors.

ARTICLE VIII MANAGEMENT AND REGULATION OF THE CORPORATION

The affairs of the corporation will be governed according to the terms of the Bylaws and the Declaration, as the same may be amended from time.

ARTICLE IX INDEMNITY OF OFFICERS AND DIRECTORS

The corporation shall indemnify the officers and directors of the corporation to the fullest extent allowed by, and in accordance with, the terms and provisions of the Code, as the same may be amended.

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**ARTICLE X
DIRECTOR LIABILITY**

To the fullest extent provided by present or future law, no director shall be liable to the corporation or its members for monetary damages, except for willful misconduct or gross negligence.

**ARTICLE XI
INVALIDATION**

If any term or provision of these Articles of Incorporation or any amendments hereto is at any time determined by any court of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate the remaining terms and provisions.

[The attached addendum, if any, is incorporated herein by reference.]

Effectiveness of Filing

☒ A. This document becomes effective when the document is filed by the secretary of state.

OR

☐ B. This document becomes effective at a later date, which is not more than ninety (90) days from the date of its signing. The delayed effective date is:

Initial Mailing Address

Address to be used by the Comptroller of Public Accounts for purposes of sending tax information.

The initial mailing address of the filing entity is:

**5123 Ella Blvd
Houston, TX 77018
USA**

Organizer

The name and address of the organizer are set forth below.

Brent A. Lane 10611 Grant Road

Execution

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Brent A. Lane

Signature of organizer.

FILING OFFICE COPY

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**UNANIMOUS WRITTEN CONSENT OF BOARD OF DIRECTORS OF
HOLIDAY STATION OWNERS ASSOCIATION, INC.
IN LIEU OF ORGANIZATIONAL MEETING**

The undersigned, being all of the members of the initial Board of Directors of Holiday Station Owners Association, Inc., named in the Corporation's Certificate of Formation filed with the Secretary of State of Texas, pursuant to section 6.201 of the Texas Business Organizations Code, adopt the following resolutions in lieu of holding an Organizational Meeting of the Board of Directors.

ARTICLES OF INCORPORATION

RESOLVED, that the Acknowledgment of Filing issued by the Secretary of State of Texas and the certified copy of the Certificate of Formation of the Corporation filed with the Secretary of State of Texas on 3-3-2025, are approved, and the Secretary of the Corporation is instructed to place same in the minute book of the Corporation.

BYLAWS

RESOLVED, that the Bylaws submitted to the undersigned are approved and adopted as the Bylaws of the Corporation and the Secretary of the Corporation is instructed to place same or a certified copy thereof in the minute book of the Corporation.

PRINCIPAL OFFICE

RESOLVED, that the Corporation's principal office be located and maintained at 5123 Ella Boulevard, Houston, Texas 77018, and that meetings of the Board of Directors from time to time may be held either at the principal office or at such other place as the board of directors shall from time to time order.

MINUTE BOOK AND CORPORATE RECORDS

RESOLVED, that the corporate record book is adopted as the record book of the corporation, and further,

RESOLVED, that the Corporation maintain appropriate corporate records in the corporate record book, including but not limited to originals, copies or certified copies of the Corporation's original and any amended, corrected or restated, Acknowledgment of Filing, Certificate of Formation, Bylaws, minutes of meetings, and written consents.

OFFICERS

RESOLVED, that the following persons are elected to the offices set forth opposite their names to serve as such at the pleasure of the Board of Directors or pursuant to the terms of any written employment agreement executed by the Corporation and the respective officer:

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Office
President
Secretary
Treasurer

Name
Andre J. Reed
Valerie Reed
Juanita Mason

BANK ACCOUNT

RESOLVED, that the Corporation establish in its name one or more accounts with one or more financial institutions on such terms and conditions as may be agreed with said financial institutions, and that the officers of the Corporation are authorized to execute any resolutions required by said financial institutions for such accounts and to designate the person or persons authorized to write checks on such accounts on behalf of the Corporation.

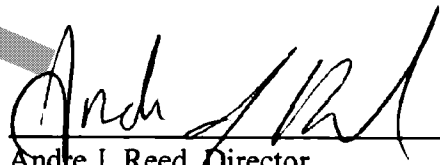
ORGANIZATIONAL COSTS

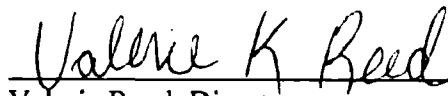
RESOLVED, that the attorney's fees, filing fees and other expenses and charges incurred and that may be incurred by the Corporation or persons acting on behalf of the Corporation in connection with the formation of the Corporation are reasonable and shall be paid or reimbursed by the Corporation.

FURTHER INSTRUCTIONS TO OFFICERS

RESOLVED, that the officers of the Corporation are authorized to do all things and take all action necessary and helpful to carry out the above resolutions and all acts of the officers and any persons acting for the Corporation which are consistent with the above resolutions are ratified and adopted as the acts of the Corporation.

DATE: April 22, 2025.


Andre J. Reed, Director


Valerie Reed, Director


Juanita Mason, Director

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COPY

**BYLAWS
OF
HOLIDAY STATION OWNERS ASSOCIATION, INC.
(a Texas non-profit corporation)**

ARTICLE I

NAME AND LOCATION. The name of the corporation is Holiday Station Owners Association, Inc. ("**Association**"). The principal office of the Association shall be located at 5123 Ella Boulevard, Houston, Texas 77018 (or at such other location as the Board hereafter may designate), but meetings of Owners and Board Members may be held at such places within the State of Texas as may be designated by the Board.

**ARTICLE II
DEFINITIONS**

Section 1. "Articles of Incorporation" means and refers to the *Articles filed with the Texas Secretary of State for Holiday Station Owners Association, Inc.*

Section 2. "Association" means and refers to *Holiday Station Owners Association, Inc.*, a Texas non-profit corporation, and its successors and assigns.

Section 3. "Board" means and refers to the Board of Directors of the Association, with all powers as stated in the Declaration, the Articles of Incorporation of the Association, and these Bylaws.

Section 4. "Bylaws" means and refers to these *Bylaws of Holiday Station Owners Association, Inc.*

Section 5. "Declaration" means and refers to the *Declaration of Covenants, Conditions, and Restrictions for Holiday Station Owners Association, Inc.*, which has been or will be recorded in the Harris County Clerk's Office, as the Declaration may be amended in accordance with its terms and provisions.

Section 6. "Directors" means and refers to those individuals who are members of the Board. The singular Director shall refer to the singular of the Directors.

Section 7. "Nonprofit Act" means and refers to the Texas Nonprofit Corporation Act, as amended.

Section 8. "Owner" means and refers to any person or entity owning a Unit (subject to

common ownership of certain Units or Building as set out in the Declaration) within the Project, as such ownership is evidenced by the Official Public Records of the Harris County Clerk's office, but shall not include a Mortgagee unless such Mortgagee acquires ownership other than for security purposes.

Section 9. All other capitalized terms used herein shall have the same meaning as stated elsewhere in these Bylaws or in the Declaration.

ARTICLE III MEMBERSHIP IN ASSOCIATION; MEETING OF OWNERS; VOTING

Section 1. Membership in Association. Every Owner and the Declarant shall be members of the Association. As set forth below, there shall be two (2) classes of members. The number of Members in the Association may increase if the Project is expanded as allowed in the Declaration.

A. Every Owner shall be a member of the Association. An Owner, other than Declarant, shall be a "Class A" Member of the Association. Membership shall be appurtenant to, and may not be separated from, ownership of any Unit. Class A Membership will begin immediately and automatically upon becoming an Owner and shall terminate immediately and automatically upon ceasing to be an Owner. If a Unit is owned by more than one person, the membership appurtenant to that Unit shall be shared by all such persons in the same proportionate interest and by the same type of tenancy in which title to the Unit is held. Each Class A Member of the Association shall be entitled to one (1) membership, and entitled to exercise one (1) vote, for each Unit owned by such Owner. Each membership shall be appurtenant to the Unit to which it relates and shall be transferred automatically by conveyance of that Unit. Ownership of a Unit within the Project cannot be separated from the Association membership appurtenant thereto, and any devise, encumbrance, conveyance or other disposition of a Unit shall constitute a devise, encumbrance, conveyance or other disposition, respectively, of such Owner's membership in the Association and the rights appurtenant thereto. Membership in the Association may not be transferred except in connection with a transfer of ownership of a Unit.

B. Declarant shall also be a member of the Association. Declarant shall be a "Class B" Member of the Association and shall be entitled to cast three votes for each Unit owned by Declarant in the Project. Declarant may exercise such votes without regard to whether a Unit has been built on such Lot and without regard to whether Declarant is exempt from the obligation of paying Assessments for the Unit or Lot. Declarant will continue to be a Class B Member of the Association so long as Declarant owns any Lot or Unit in the Project. After Declarant no longer owns any Lot or Unit in the Project, Declarant will remain a Class B Member until ninety (90) days following the date when Declarant transferred the last remaining Lot or Unit owned by Declarant. Notwithstanding the foregoing, Declarant may, at any time, deliver to the Association written notice that Declarant is withdrawing as a Class B Member of the Association. If Declarant provides such notice while

Declarant owns any Lot or Unit in the Project, Declarant shall become a Class A Member with respect to each Unit owned by Declarant.

C. In compliance with Texas Property Code, Section 209.00591, Declarant has all power to appoint and remove officers and members of the Board until the 120th day after conveyance of 75 percent of the Units that may be created to Owners other than Declarant, at which time not less than one-third of the Board members must be elected by owners other than Declarant.

Section 2. Voting. Unless otherwise stated herein, or in the Declaration, all voting shall be by a majority vote of all votes cast.

A. Pursuant to the terms of the Declaration, Class A Members shall have no voting rights in the Association and Declarant shall have administrative control of the Association so long as Declarant is a Class B Member of the Association, unless governing laws (State or Federal) require that Class A Members be allowed to vote on the topic or matter at issue. During the time in which Declarant is a Class B Member, all matters requiring a vote of the Members or otherwise submitted to a vote of the Members shall be determined solely by the Class B votes (i.e., solely by the Declarant's votes).

B. When Declarant is no longer a Class B Member, then (i) the Class B membership shall cease being a class of membership; (ii) there shall no longer be any Class B votes of the Association; and (iii) Class A votes shall become activated and shall be allowed to vote on all matters of the Association requiring votes of Members.

C. After Declarant is no longer a Class B Member, all matters submitted to a vote of the Association shall be decided by the votes of the Owners. A change in the ownership of a Unit shall be effective for voting purposes from the time the deed or other instrument effecting such change is recorded, or, in connection with Owners who are vendees under an installment purchase contract, upon the full execution of the installment purchase contract. Thereafter, the new Owner shall give the Board written notice of such change of ownership and provide satisfactory evidence thereof. The vote for each Unit must be cast as one vote, and fractional votes shall not be allowed. In the event that a Unit is owned by more than one Owner and such Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner casts a vote representing a certain Unit, it will thereafter be conclusively presumed for all purposes that he, she or it was acting with the authority and consent of all other Owners of the same Unit unless objection thereto is made at the time the vote is cast. In the event more than one Owner attempts to cast the vote for a particular Unit, the vote for that Unit shall be deemed void and shall not be counted.

Section 3. Annual Meeting. The first annual meeting of the Association shall be held in June following the date of incorporation of the Association, and each subsequent regular, annual meeting of the Association shall be held in June of each year thereafter. The Board may change the date of the annual meeting provided it gives reasonable advance notice to all Owners. Notwithstanding any

other provision of these Bylaws, during the time Declarant is a Class B Member of the Association, Declarant may act on behalf of the Association without a meeting of the Association.

Section 4. Special Meetings. Special meetings of the Association may be called at any time by the Board, or upon written request of the Owners who are entitled to vote thirty percent (30%) of all of the total votes.

Section 5. Notice of Meetings. Written notice of each meeting of the Association shall be given by, or at the direction of, the Secretary or person authorized by the Board to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days, and no more than sixty (60) days, before such meeting to each Owner entitled to vote, addressed to the Owner's address last appearing on the books of the Association, or supplied by such Owner to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. Those present at the meeting may vote to continue the meeting to any date within 30 days. Notice of the continued meeting will be given by mail, and at the subsequent continued meeting, a quorum will consist of those Owners present. The President of the Association will give notice of any meetings, and will chair meetings of the Owners.

Section 6. Quorum. The presence at the meeting of Owners entitled to cast, or of proxies entitled to cast, at least twenty percent (20%) of the total number of votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Owners entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. Unless otherwise stated in the Declaration, the Articles of Incorporation, or these Bylaws, an action supported by majority of the votes cast at any meeting where a quorum is present shall be the action of the Association.

Section 7. Proxies. At all meetings of the Association, each Owner entitled to cast a vote may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and automatically cease upon conveyance by the Owner of his or her Unit.

Proxies, Absentee Ballots, and Electronic Voting. Voting Members may vote by written proxy, absentee ballot or electronic ballot under procedures established by the Board in accordance with Texas law, Property Code Section 209.00593.

Section 8. Recount Procedures. An Owner may, not later than the fifteenth (15th) day after the date of a meeting at which an election was held, require a recount of votes in accordance with Section 209.0057 of the Texas Property Code.

ARTICLE IV

BOARD: SELECTION; TERM OF OFFICE

Section 1. Nomination, Tenure, and Removal. The Declarant shall appoint the initial Directors and decide who serves on the Board while Declarant is a Class B Member of the Association. When Declarant is no longer a Class B Member, the Owners shall at the next annual Association meeting, or at such earlier meeting as may be called for the purpose, elect three (3) Directors from among the Owners. Each of the three elected Directors shall draw lots to divide themselves into terms of one, two and three years. At each successive annual meeting, provided a quorum is present, the Owners shall elect a Director to replace the Director whose term has expired or is then expiring. Each newly elected Director shall serve for a three year term. If a quorum is not present at the annual meeting, the other Directors shall select a new Director. Nomination for election to the Board may be made by the Directors. Nominations may also be made from the floor at the annual meeting. During the period that Declarant is a Class B Member of the Association, Declarant may remove a Director with or without cause. After the Declarant is no longer a Class B Member, Directors may be removed with or without cause by a vote of the Owners owning a majority of the Units. If any Director resigns, is removed, dies, or is otherwise unwilling or unable to serve during his or her term, the remaining Directors may appoint another Owner to fill the remainder of such term.

Nomination Procedures: The Association is required to affirmatively solicit candidates for board positions by giving notice seeking interested candidates from among association members at least 10 days before the date the association disseminates ballots for a board election. The solicitation notice must contain instructions for the member to submit a request to be placed on the ballot and give at least 10 days after the notice to respond. The notice must be mailed to each owner or provided by posting in a conspicuous location such as a common area or association website and emailed to each owner who has furnished the association with an email address. Any eligible candidate who timely submits their request must be placed on any ballot.

Section 2. Election. Election to the Board shall be by signed written ballot. At such election the Owners or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. There shall be no cumulative voting.

Section 3. Number of Directors. The Board shall consist of not less than three (3) Directors and not more than five (5) Directors. An odd number of Directors shall be required at all times. The initial number of Directors shall be three (3). When the Declarant is no longer a Class B member, the Owners may, at an annual meeting or a special meeting, vote to change the number of Directors. In the event the number of Directors is increased, such additional Directors shall draw lots for terms. The term of one of the additional Directors shall expire at the next annual meeting of the Association to be held after the vote to increase the number of Directors; the term of the other additional Director shall expire at the successive annual meeting of the Association.

ARTICLE V

MEETINGS OF THE BOARD OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board shall be held as frequently as

the Board deems appropriate, but at least annually, at such place and hour as may be fixed from time to time by resolution of the Board. Should such meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two Directors.

Section 3. Notice of Board Meetings. This section does not apply as long as Developer has not conveyed 75% of the Units, except for items listed in Texas Property Code, Section 209.0051.

Regular and special board meetings must be open to owners, subject to the right of the board to adjourn a board meeting and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the property owners' association's attorney, matters involving the invasion of privacy of individual owners, or matters that are to remain confidential by request of the affected parties and agreement of the board. Following an executive session, any decision made in the executive session must be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual owners, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session.

A board meeting may be held by electronic or telephonic means provided that:

- (1) each board member may hear and be heard by every other board member;
- (2) except for any portion of the meeting conducted in executive session:
 - (A) all owners in attendance at the meeting may hear all board members; and
 - (B) owners are allowed to listen using any electronic or telephonic communication method used or expected to be used by a board member to participate; and
- (3) the notice of the meeting includes instructions for owners to access any communication method required to be accessible under Subdivision (2)(B).

The Board may take action outside of a meeting, including voting by electronic or telephonic means, without prior notice to owners under Subsection (e), if each board member is given a reasonable opportunity to express the board member's opinion to all other board members and to vote. Any action taken without notice to owners under Subsection (e) must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special board meeting. The board may not, unless done in an open meeting for which prior notice was given to owners, discuss the items listed in 209.0051.

Section 4. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 5. Written Action. Nothing in these Bylaws shall prevent the Board from acting without a meeting by means of a writing describing the action to be taken and signed by the Directors.

ARTICLE VI
POWERS AND DUTIES OF THE BOARD; APPLICABILITY OF THE ACTS

Section 1. Powers. The Board shall have power to:

A. Adopt and publish rules and regulations governing the use of the common areas within the Project as described in the Declaration or as shown on the Plat Map ("**Common Areas**"), and the personal conduct of the Owners and their guests thereon, and to establish penalties for the infraction thereof;

B. Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Owners by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

C. Declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board; and

D. Employ managers, independent contractors, or such other persons as the Board deems necessary to exercise the powers, duties and authority vested in the Association, and to delegate to such persons such powers as are necessary to accomplish the Association purposes for which such persons have been employed.

Section 2. Duties. It shall be the duty of the Board to:

A. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Owners at the annual meeting of the Association, or at any special meeting when such statement is requested in writing by the Owners;

B. Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

C. To:

1. Fix the amount of the annual assessment against each Unit at least fifteen (15) and no more than sixty (60) days in advance of each annual assessment period, and fix the amount of any special assessments against each Unit;

2. Send written notice of each annual assessment to every Owner subject thereto at least fifteen (15) and no more than sixty (60) days in advance of each annual assessment period

and similar notice for imposition of each special assessment; and

3. Foreclose the lien (at the option of the Board) against any Unit and Unit for which assessments are not paid within ninety (90) days after due date or to bring an action at law (at the option of the Board) against the Owner personally obligated to pay the same.

D. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

E. Procure and maintain insurance as necessary;

F. Establish a reserve fund and conduct a reserve fund analysis;

G. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

H. Cause all Common Areas and Facilities, as identified in the Declaration, to be properly maintained and managed by the Association.

Section 3. Legal Action Involving Declarant. Neither the Board nor any other person or entity acting, or purporting to act, on behalf of the Association shall file, commence, or maintain any lawsuits or legal proceedings of any nature against Declarant, the individual managers, owners, members, or officers of Declarant, Declarant's contractors, or any other person or entity involved in the construction of the Units or Units thereon unless and until all of the "DISPUTE RESOLUTION: MANDATORY BINDING ARBITRATION" provisions set forth in the Declaration have been satisfied.

Section 4. Applicability of Texas law. The provisions of Texas law related to Property Owner's Association shall apply and govern the Association's rights with respect to levying of assessments, collection of assessments, and remedies that apply in the event of non-payment of assessments.

Section 5. Applicability of the Nonprofit Act. The provisions of the Nonprofit Act shall apply and govern the operations and dealings of the Association to the extent not otherwise provided in these Bylaws, the Declaration, or the Articles of Incorporation.

Section 6. Enforcement Procedures.

A. Notice. Before the Board may (i) suspend an Owner's right to use a Common Area, (ii) file a suit against an Owner other than a suit to collect any Assessment, (iii) foreclose the Property Owners Association's lien, (iv) charge an Owner for property damage, or (v) levy a fine for a violation

of the Dedicatory Instruments, the Property Owners Association or its agent must give written notice to the Owner by certified mail, return receipt requested. The notice must describe the violation or property damage that is the basis for the suspension action, charge, or fine and state any amount due the Property Owners Association from the Owner. The notice also must inform the Owner that the Owner (i) is entitled to a reasonable period to cure the violation and avoid the fine or suspension unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six months and (ii) may request a hearing on or before the thirtieth day after the date the Owner receives the notice.

B. Hearing. If the Owner is entitled to an opportunity to cure the violation, the Owner has the right to submit a written request for a hearing to discuss and verify facts and resolve the matter in issue before a committee appointed by the Board or before the Board if the Board does not appoint a committee. If a hearing is to be held before a committee, the notice must state that the Owner has the right to appeal the committee's decision to the Board by written notice to the Board.

The Property Owners Association must hold a hearing under this section not later than the thirtieth day after the date the Board receives the Owner's request for a hearing and must notify the Owner of the date, time, and place of the hearing not later than the tenth day before the date of the hearing. The Board or the Owner may request a postponement, and, if requested, a postponement will be granted for a period of not more than ten days. Additional postponements may be granted by agreement of the parties. The Owner or the Property Owners Association may make an audio recording of the meeting.

The hearing will be held in executive session affording the alleged violator a reasonable opportunity to be heard. Before any sanction hereunder becomes effective, proof of proper notice will be placed in the minutes of the meeting. Such proof will be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered the notice. The notice requirement will be satisfied if the alleged violator appears at the meeting. The minutes of the meeting will contain a written statement of the results of the hearing and the sanction, if any, imposed. The Board may, but will not be obligated to, suspend any proposed sanction if the violation is cured within a 30-day period. Such suspension will not constitute a waiver of the right to sanction violations of the same or other provisions and rules by any person.

C. Appeal. Following hearing before a committee, if any, the violator will have the right to appeal the decision to the Board. To perfect this right, a written notice of appeal must be received by the managing agent, if any, president, or secretary within 10 days after the hearing date.

ARTICLE VII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President, a Vice-President, a Secretary, a Treasurer, and such other officers as the Board may from time to time

by resolution create. Following the expiration or termination of the Period of Declarant's Control, all officers of the Association must be Owners of Units in this Project.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Association.

Section 3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless they shall sooner resign, or shall be removed, or are otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special officers created pursuant to Section 4 of this Article. Directors may also be officers of the Association.

Section 8. Duties. The duties of the officers are as follows:

President

A. The President shall preside at all meetings of the Owners and the Board; shall see that orders and resolutions of the Board are carried out; shall sign all written instruments of the Association, and shall co-sign all checks and promissory notes.

Vice-President

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

Secretary

C. The Secretary shall record the votes and keep minutes of all proceedings of the Board and of the Owners; at the direction of the President, serve notice of meetings of the Board and of the Owners; keep appropriate current records showing the Owners of the Association together with their addresses; and perform such other duties as required by the Board.

Treasurer

D. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by the Board; shall sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the ownership at its regular annual meeting, and deliver a copy of each to the Owners.

ARTICLE VIII COMMITTEES

The Board may appoint Committees as it deems necessary or appropriate to carry out the purposes of the Association.

ARTICLE IX BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Owner. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Owner at the principal office of the Association, where copies may be purchased at reasonable cost, or the documents may be available at a website maintained by the Association. The Board shall establish and adopt document retention policies consistent with Texas Property Code Section 209.005, or as amended. The Board shall establish and adopt records production and copying policies consistent with Texas Property Code Section 209.005, or as amended.

ARTICLE X ASSESSMENTS

Section 1. Exempt Units/Lots. "Exempt Unit(s)" or "Exempt Lot(s)" shall have the meaning given in the Declaration describing the time in which such Units or Lots are exempt from the obligation to pay Assessments to the Association.

Section 2. Association May Impose Assessments. As set forth in the Declaration, Declarant, for each Unit owned by Declarant which is not exempt from the requirement to pay assessments, and each Owner, other than Declarant, by becoming an Owner of a Unit is obligated to pay assessments

to the Association. The Board shall fix the date by which assessments must be paid. Prompt and full payment of the assessments is secured by a continuing lien upon each Owner's Lot and Unit(s). Any assessment which is not paid when due shall be delinquent. The Board has the authority to establish late fees and interest applicable to delinquent assessments and collect the same from any Owner whose assessment is delinquent. The remedies available to the Association are set forth in the Declaration and under Texas law. The amount the Association is entitled to recover in connection with the remedies it pursues shall include, without limitation, interest, costs, late fees, fines, and reasonable attorney's fees. No Owner may waive or otherwise escape liability for the assessments, late fees, and interest provided for herein or provided in the Declaration by nonuse of the Common Areas or abandonment of his or her Unit. The Board shall establish and adopt payment plan policies consistent with Texas Property Code Section 209.0062, or as amended.

ARTICLE XI AMENDMENTS

Section 1. These Bylaws may be amended at a regular or special meeting of the Association, by a vote, in person or by proxy, of the Owners entitled to cast sixty-seven percent (67%) of the total votes; provided, however, that no amendment to these Bylaws shall be adopted that is inconsistent with or contradicts any provisions of the Declaration unless and until the Declaration is also amended, in accordance with the amendment requirements of the Declaration, to resolve such inconsistency or contradiction. The President may prepare amendments to these Bylaws and to the Declaration and submit the same to the Owners for approval. If such amendments are approved as provided herein, the President may execute, certify, and record such amendments as appropriate.

Section 2. Notwithstanding Section 1, above, nothing in these Bylaws shall prevent the Board from amending these Bylaws as permitted by the Nonprofit Act.

ARTICLE XII MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Association shall begin on January 1 and end on December 31 of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 2. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Section 3. Severability. In the event that any term, provision, or section of these Bylaws is determined by a court of competent jurisdiction to be invalid otherwise unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of any other provision of these Bylaws, the Declaration, or the Articles of Incorporation.

In witness whereof, we, the undersigned initial three (3) Directors of the Association have hereunto set our hands as of the 22nd day of April, 2025.

Signature:

Andre J. Reed
Andre J. Reed

Signature:

Valerie K Reed
Valerie Reed

Signature:

Juanita Mason
Juanita Mason

EXHIBIT "E"
Page 1 of 1
Consent of Lienholder

LIENHOLDER CONSENT

CR-FED ABL, LLC, Delaware limited liability company ("Lender"), is the holder of that certain Promissory Note dated March 25, 2024, executed by Creekmont Corner, LLC, a Texas limited liability company, as maker, which note is secured by the lien in that certain Deed of Trust dated March 25, 2024, which is recorded as Document No. RP-2024-105624, Official Public Records of Harris County, Texas (as amended, the "Security Instrument").

By its execution hereof, Lender consents to the recording of this Declaration of Covenants, Conditions and Restrictions for Holiday Station Subdivision (the "Declaration"), and, subject to the terms and conditions of this Lienholder Consent, subordinates the Lender's Lien to such Declaration; provided, however, this Lienholder Consent shall not be construed or operate as a release of the Lender's Lien, or release, subordinate, impair or otherwise affect any rights of Lender under the Security Instrument to succeed to the rights, powers, and authority of Creekmont Corner, LLC under the Declaration in the event of a foreclosure, trustee's sale, or other action or proceeding for the enforcement of the Lender's lien, or by deed in lieu thereof.

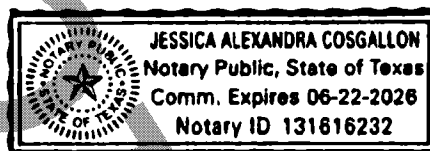
Executed this 21 of April, 2025.

CR-FED ABL, LLC, Delaware limited liability company

By: Fermin Rajunov

Printed Name: Fermin Rajunov

Title: Manager



THE STATE OF TEXAS

COUNTY OF Bexar

§
§
§

This instrument was acknowledged before me on the 21 of April, 202⁵, by Fermin Rajunov, the Manager of CR-FED ABL, LLC, Delaware limited liability company, on behalf of said company.

Jessica Cosgallon
Notary Public Signature

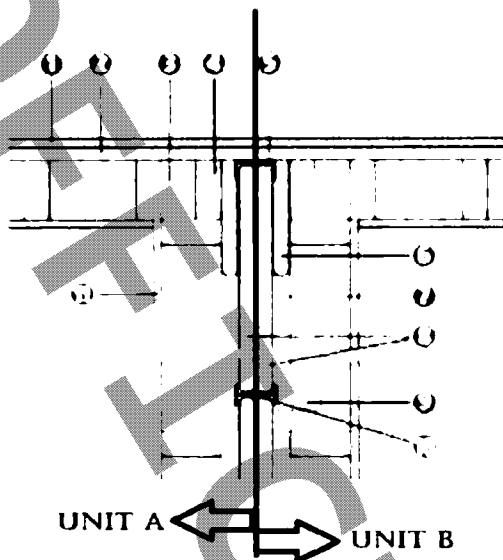
RP-2025-151821

EXHIBIT "F"

Common Wall Specifications

2-HOUR RATED FIREWALL

1. Siding
2. 5/8" Fire Shield
Gypsum Sheathing
4" Each Side
3. Insulation
4. 2x4 Wood Stud
5. 2" C-Track
6. Gypsum Board or
Mineral Wool Fire Blocking
7. Minimum 3/4" Air space
8. 1" Fire-Shield Shuttliner
9. ASW Clip
10. 2" H Stud
11. Gypsum Board



**HOLIDAY STATION OWNERS ASSOCIATION, INC.
RECORDS PRODUCTION AND COPYING POLICY**

STATE OF TEXAS

§

KNOW ALL PERSONS BY THESE PRESENTS:

COUNTY OF HARRIS

§

§

WHEREAS, the Holiday Station Owners Association, Inc. ("Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declarations for various subdivisions under the stewardship of the Association (referred to collectively as "Declarations"). Holiday Station Owners Association, Inc. is the property owner's association for Holiday Station Townhomes; and

WHEREAS, chapter 209 of the Texas Property Code was amended effective January 1, 2012, to amend Section 209.005 ("Section 209.005") thereto regarding owner access to Association documents and records ("Records"); and

WHEREAS, the Association desires to establish a policy for records production consistent with Section 209.005 and to provide clear and definitive guidance to property owners.

NOW, THEREFORE, the Association has duly adopted the following *Records Production and Copying Policy*.

1. Association Records shall be reasonably available to every owner. An owner may also provide access to Records to any other person (such as an attorney, CPA or agent) they designate in writing as their proxy for this purpose. To ensure a written proxy is actually from the owner, the owner must include a copy of his/her photo ID or have the proxy notarized.
2. An owner, or their proxy as described in section 1, must submit a written request for access to or copies of Records. The letter must:
 - a. be sent by certified mail to the Association's address as reflected in its most recent Management Certificate filed in the County public records; and
 - b. contain sufficient detail to identify the specific Records being requested; and
 - c. indicate whether the owner or proxy would like to inspect the Records before possibly obtaining copies or if the specified Records should be forwarded. If forwarded, the letter must indicate the format, delivery method and address:
 - (1) format: electronic files, compact disk or paper copies
 - (2) delivery method: email, certified mail or pick-up
3. Within ten (10) business days of receipt of the request specified in section 2 above, the Association shall provide:
 - a. the requested Records, if copies were requested and any required advance payment had been made; or
 - b. a written notice that the Records are available and offer dates and times when the Records may be inspected by the owner or their proxy during normal business hours at the office of the Association; or

RP-2025-151821

UNOFFICIAL COPY

- c. a written notice that the requested Records are available for delivery once a payment of the cost to produce the records is made and stating the cost thereof; or
 - d. a written notice that a request for delivery does not contain sufficient information to specify the Records desired, the format, the delivery method and the delivery address; or
 - e. a written notice that the requested Records cannot be produced within ten (10) business days but will be available within fifteen (15) additional business days from the date of the notice and payment of the cost to produce the records is made and stating the cost thereof.
4. The following Association Records are not available for inspection by owners or their proxies:
- a. the financial records associated with an individual owner; and
 - b. deed restriction violation details for an individual owner; and
 - c. personal information, including contact information other than an address for an individual owner; and
 - d. attorney files and records in the possession of the attorney; and
 - e. attorney-client privileged information in the possession of the Association.
- The information in a, b and c above will be released if the Association receives express written approval from the owner whose records are the subject of the request for inspection.
5. Association Records may be maintained in paper format or in an electronic format. If a request is made to inspect Records and certain Records are maintained in electronic format, the owner or their proxy will be given access to equipment to view the electronic records. Association shall not be required to transfer such electronic records to paper format unless the owner or their proxy agrees to pay the cost of producing such copies.
6. If an owner or their proxy inspecting Records requests copies of certain Records during the inspection, Association shall provide them promptly, if possible, but no later than ten (10) business days after the inspection or payment of costs, whichever is later.
7. The owner is responsible for all costs associated with a request under this Policy, including but not limited to copies, postage, supplies, labor, overhead and third party fees (such as archive document retrieval fees from off-site storage locations) as listed below:

- a. black and white 8½"x11" single sided copies ... \$0.10 each
 - b. black and white 8½"x11" double sided copies ... \$0.20 each
 - c. color 8½"x11" single sided copies ... \$0.50 each
 - d. color 8½"x11" double sided copies ... \$1.00 each
 - e. PDF images of documents ... \$0.10 per page
 - f. compact disk ... \$1.00 each
 - g. labor and overhead ... \$18.00 per hour
 - h. mailing supplies ... \$1.00 per mailing
 - i. postage ... at cost
 - j. other supplies ... at cost
 - k. third party fees ... at cost
8. Any costs associated with a Records request must be paid in advance of delivery by the owner or their proxy. An owner who makes a request for Records and subsequently declines to accept delivery will be liable for payment of all costs under this Policy.
 9. On a case-by-case basis, in the absolute discretion of the Association, and with concurrence of the owner, the Association may agree to invoice the cost of the Records request to the owner's account. Owner agrees to pay the total amount invoiced within thirty (30) days after the date a statement is mailed to the Owner. Any unpaid balance will accrue interest as an assessment as allowed under the Declarations.
 10. On a case-by-case basis where an owner request for Records is deemed to be minimal, the Association or its managing agent reserves the right to waive notice under section 2 and/or fees under section 4.
 11. All costs associated with fulfilling the request under this Policy will be paid by the Association's Managing Agent. All fees paid to the Association under this Policy will be reimbursed to the Association's Managing Agent or paid directly to the Association's Managing Agent.

This Policy is effective upon recordation in the Public Records of Harris County, and supersedes any policy regarding records production which may have previously been in effect. This policy may be amended at any time by a majority vote of the board of directors. Except as affected by Section 209.005 and/or by this Policy, all other provisions contained in the Declarations or any other dedicatory instruments of the Association shall remain in full force and effect.

RP-2025-151821

Approved and adopted by the Association on April 17, 2025.

Declarant:

Creekmont Corner, LLC, a Texas limited liability company

By its Manager,

Provo - RE, LLC, a Texas limited liability company

By:

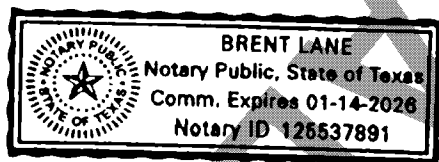
Andre Jamal Reed
Andre Jamal Reed, Managing Member

THE STATE OF TEXAS

COUNTY OF HARRIS

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This instrument was acknowledged before me on the 17th of April, 2025, by Andre Jamal Reed, Managing Member of Provo - RE, LLC, a Texas limited liability company, as Manager of Creekmont Corner, LLC, a Texas limited liability company, on behalf of said limited liability company.



[Signature]
Notary Public Signature

After recording, please return to:

Beard & Lane, P.C.
10611 Grant Road
Houston, Texas 77070
Tel: (281) 897 8848
Fax: (281) 897 8850
brent@beardlane.com

RP-2025-151821

**HOLIDAY STATION OWNERS ASSOCIATION, INC.
DOCUMENT RETENTION POLICY**

STATE OF TEXAS

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KNOW ALL PERSONS BY THESE PRESENTS:

COUNTY OF HARRIS

§

WHEREAS, the Holiday Station Owners Association, Inc. ("Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declarations for various subdivisions under the stewardship of the Association (referred to collectively as "Declarations"). Holiday Station Owners Association, Inc. is the property owner's association for Holiday Station Townhomes; and

WHEREAS, chapter 209 of the Texas Property Code was amended effective January 1, 2012, to add Section 209.005(m) ("Section 209.005") thereto regarding retention of Association documents and records ("Documents"); and

WHEREAS, the Association desires to establish a policy for document retention consistent with Section 209.005 and to provide clear and definitive guidance to owners.

NOW, THEREFORE, the Association has duly adopted the following *Document Retention Policy*.

1. Association Documents may be maintained in paper format or in an electronic format this can be readily transferred to paper.
1. Association Documents shall be retained for the durations listed below:
 - a. certificate of formation or articles of incorporation, bylaws, restrictive covenants, other dedicatory instruments and any amendments to same shall be retained permanently; and
 - b. financial books and records, including annual budgets, reserve studies, monthly financial statements and bank statements, shall be retained for seven (7) years (for example the June 2022 financial statements shall be retained until June 30, 2029); and
 - c. account records of current owners shall be retained for five (5) years (for example, invoice, payment and adjustment records on an owner's account with a transaction date of 05/24/2022 will be retained until 05/24/2027 subject to section (d) below); and
 - d. account records of former owners shall be retained as a courtesy to that former owner for one (1) year after they no longer have an ownership interest in the property; and
 - e. contracts with a term of one year or more shall be retained for four (4) years after the expiration of the contract term (for example, a contract expiring on 06/30/2022 and not extended by amendment must be retained until 06/30/2026); and
 - f. minutes of meetings of the owners and the Board shall be retained for seven (7) years after the date of the meeting (for example, minutes from a 06/20/2022 board meeting must be retained until 06/20/2029); and
 - g. tax returns and CPA audit records shall be retained for seven (7) years after the last date of the return or audit year (for example, a tax return for the calendar year 2022 shall be retained until 12/31/2029); and

RP-2025-151821

- h. decisions of the Architectural Control Committee or Board regarding applications, variances, waivers or related matters associated with individual properties shall be retained for seven (7) years from the decision date (for example, an application for a swimming pool approved on 10/31/2022 must be retained until 10/31/2029).
2. Any Documents not described above may be retained for the duration deemed to be useful to the purpose of the Association, in the discretion of the Association, its attorney or its managing agent.
3. Upon expiration of the retention period listed above, the Documents shall no longer be considered Association records and may be destroyed, discarded, deleted, purged or otherwise eliminated.

This Policy is effective upon recordation in the Public Records of Harris County, and supersedes any policy regarding document retention which may have previously been in effect. This policy may be amended at any time by a majority vote of the board of directors. Except as affected by Section 209.005 and/or by this Policy, all other provisions contained in the Declarations or any other dedicatory instruments of the Association shall remain in full force and effect.

Approved and adopted by the Association on April 17, 2025.

Declarant:

Creekmont Corner, LLC, a Texas limited liability company

By its Manager,

PROVO-AE, LLC, a Texas limited liability company

By:

Andre Jamal Reed
Andre Jamal Reed, Managing Member

THE STATE OF TEXAS

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COUNTY OF HARRIS

This instrument was acknowledged before me on the 17th of April, 2025, by Andre Jamal Reed, Managing Member of PROVO-AE, LLC, a Texas limited liability company, as Manager of Creekmont Corner, LLC, a Texas limited liability company, on behalf of said limited liability company.



[Signature]
Notary Public Signature

RP-2025-151821

**HOLIDAY STATION OWNERS ASSOCIATION, INC.
PAYMENT PLAN POLICY**

STATE OF TEXAS

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KNOW ALL PERSONS BY THESE PRESENTS:

COUNTY OF HARRIS

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WHEREAS, the Holiday Station Owners Association, Inc. ("Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declarations for various subdivisions under the stewardship of the Association (referred to collectively as "Declarations"). Holiday Station Owners Association, Inc. is the property owner's association for Holiday Station Townhomes; and

WHEREAS, chapter 209 of the Texas Property Code was amended effective January 1, 2012, to add Section 209.0062 ("Section 209.0062") thereto regarding alternative payment schedules for assessments ("Payment Plans"); and

WHEREAS, the Association desires to establish a policy for Payment Plans consistent with Section 209.0062 and to provide clear and definitive guidance to owners.

NOW, THEREFORE, the Association has duly adopted the following *Payment Plan Policy*.

1. Subject to Section 12 below, owners are entitled to make partial payments for delinquent amounts owed to the Association under a Payment Plan in compliance with this Policy.
2. Late fees, penalties and delinquent collection related fees will not be incurred on the owner's account while the Payment Plan is active. Legal fees will be charged for preparation and negotiation of a payment plan. Any late fees, penalties, collection fees, and legal fees incurred prior to an active Payment Plan will be included in the Payment Plan. The Association may impose a fee for administering a Payment Plan of \$50.00. Such fee, if any, will be listed on the Payment Plan form and may change from time-to-time. The Board may elect to charge interest on the amount owed during the payment plan. The Association may provide an estimate of the amount of interest that will accrue under any proposed plan.
3. All Payment Plans must be in writing on the form provided by the Association and signed by the owner.
4. The Payment Plan becomes effective and is designated as "active" upon:
 - a. receipt of a fully completed and signed Payment Plan form;
 - b. receipt of the first payment under the plan; and
 - c. acceptance by the Association as compliant with this Policy.
5. A Payment Plan may be as short as three (3) months and as long as eighteen (18) months based on the guidelines below. The durations listed below are provided as guidelines to assist owners in submitting a Payment Plan.
 - a. Total balance of \$500.00 or less is payable in up to 3 months;
 - b. Total balance of \$1,500.00 or less and more than \$500.00, is payable in up to 6 months; and

- c. Total balance of more than \$1,500.00 is payable in up to 12 months.
 - 6. On a case-by-case basis and upon request of the owner, the Association may approve more than one Payment Plan to be executed in sequence to assist the owner in paying the amount owed. The individual Payment Plans may not exceed eighteen (18) months.
 - 7. A Payment Plan must include sequential monthly payments. The total of all proposed payments must equal the current balance plus Payment Plan administrative fees, if any, plus the estimated accrued interest.
 - 8. If an owner requests a Payment Plan that will extend into the next assessment cycle, the owner will be required to pay future assessments by the due date in addition to the payments specified in the Payment Plan.
 - 9. If an owner defaults on the terms of the Payment Plan, the Payment Plan will be voided. The Association will provide written notice to the owner that the Payment Plan has been voided. It is considered a default of the Payment Plan, if the owner:
 - a. fails to return a signed Payment Plan form with the initial payment; or
 - b. misses a payment due in a calendar month; or
 - c. makes a payment for less than the agreed upon amount; or
 - d. fails to pay a future assessment by the due date in a Payment Plan which spans additional assessment cycles.
- In the absolute discretion of the Association, the Association may waive default under item b, c or d above if the owner makes up the missed or short payment on the immediate next calendar month payment. The Association may, but has no obligation to, provide a courtesy notice to the owner of the missed or short payment.
- 10. On a case-by-case basis, the Association may agree, but has no obligation, to reinstate a voided Payment Plan once during the original duration of the Payment Plan if all missed payments are made up at the time the owner submits a written request for reinstatement.
 - 11. If a Payment Plan is voided, the full amount due by the owner shall immediately become due. The Association will resume the process for collecting amounts owed using all remedies available under the Declarations and the law and will pursue reimbursement of legal fees and all costs associated with collection.
 - 12. The Association has no obligation to accept a Payment Plan from any owner who has defaulted on the terms of a Payment Plan within the last two (2) years.

This Policy is effective upon recordation in the Public Records of Harris County, and supersedes any policy regarding alternative payment schedules which may have previously been in effect. This policy may be amended at any time by a majority vote of the board of directors. Except as affected by Section 209.0062 and/or by this Policy, all other provisions contained in the Declarations or any other dedicatory instruments of the Association shall remain in full force and effect.

Approved and adopted by the Association on April 17, 2025.

Declarant:

Creekmont Corner, LLC, a Texas limited liability company
By its Manager,
Provo-AE, LLC, a Texas limited liability company

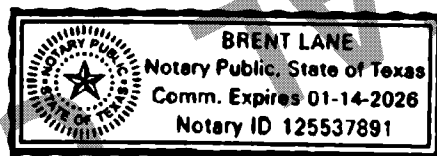
By: Andre Jamal Reed
Andre Jamal Reed, Managing Member

THE STATE OF TEXAS

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COUNTY OF HARRIS

This instrument was acknowledged before me on the 17th of April, 2025, by Andre Jamal Reed, Managing Member of Provo-AE, LLC, a Texas limited liability company, as Manager of Creekmont Corner, LLC, a Texas limited liability company, on behalf of said limited liability company.



[Signature]
Notary Public Signature

After recording, please return to:
Beard & Lane, P.C.
10611 Grant Road
Houston, Texas 77070
Tel: (281) 897 8848
Fax: (281) 897 8850
brent@beardlane.com

RP-2025-151821

Exhibit "J"

**Deed Restriction Enforcement Policy
Holiday Station Owners Association, Inc.**

PURPOSE

This policy establishes a uniform methodology for enforcing deed restrictions within the Holiday Station Owners Association, Inc.

SCOPE

This policy applies to all members of the Holiday Station Owners Association, Inc., which are subject to the Declaration of Covenants, Conditions and Restrictions for Holiday Station Townhomes, a subdivision in Harris County, Texas and any Amendments and guidelines thereto.

REFERENCES

Declaration of Covenants, Conditions & Restrictions for Holiday Station Townhomes, and any amendments thereto.

Holiday Station Owners Association, Inc. By-Laws.

All other governing documents for Holiday Station Owners Association, Inc., including but not limited to any published rules, regulations, guidelines and resolutions.

Texas Property code Chapter 209 – Residential Property Owner's Protection Act.

DEFINITIONS

Deed Restriction: The Architectural Control provisions, maintenance and repair provisions, and use of restrictions provisions in the Declarations of Covenants, Conditions and Restrictions of Holiday Station Owners Association, Inc., and any amendments thereto.

Inspector: A person officially appointed to make inspections and report to designated members of the Holiday Station Owners Association, Inc. Board of Directors, the Architectural Control Committee, or the property management company.

Maintenance: To repair, replace or otherwise return to an operational, functional, and aesthetically pleasing condition.

UNOFFICIAL COPY

Violation: An act or condition, willful or not, by property owners or tenants, that causes a property or its improvements to be in non-compliance with the Deed Restrictions of Holiday Station Owners Association, Inc.

POLICY & PROCEDURES

The policy for enforcement of Deed Restrictions by the Holiday Station Owners Association, Inc. is as follows: Following a Deed Restriction inspection, a resident in violation of the Deed Restrictions shall receive notification of the violation as follows:

Letters from the Association:

First Letter:

Upon identification of a violation, a letter shall be sent via regular mail or email to notify the owner of the violation of the Deed Restrictions and to request correction of the violation within a reasonable time period.

It is the responsibility of the owner to notify the property management company if extenuating circumstances exist, if additional time to correct the violation is necessary, or if additional information regarding the violation is needed or desired.

Second Letter:

Upon a 2nd inspection without resolution, a second letter shall be sent by regular mail or email to notify the owner of the continuing violation of the Deed Restrictions, and to request correction of the violation.

This certified letter shall include:

1. A description of the violation.
2. A notice to the owner that they are entitled to a 'reasonable' period to cure the violation to avoid suspension, fine, or attorney fees.
3. A notice to the owner informing the owner that he or she may request a hearing on or before the thirtieth (30) day after the date the owner receives the notice.
4. A notice to the owner that the association may suspend an owner's right to use a common area if the violation is not cured.
5. A notice that the owner's account will be charged a fee of \$25.00 (if a homeowner) or \$35.00 (if an absentee property owner) to cover the cost of postage, expenses and labor if the violation still exists upon the next inspection.
6. A notice that states, if a hearing is not requested and the violation is not cured by the next inspection, all attorney fees, reasonable related expenses, and costs incurred by the Association shall be charged to the owner's account.

Third, Reoccurring Violation Letter:

Upon a 3rd or following inspection without resolution, a letter shall be sent by certified mail return receipt requested, and regular mail, to notify owner of the failure to correct the violation and to request correction of the violation.

This letter will include:

1. The owner will be advised that a \$25.00 or \$35.00 charge has been assessed to their account to cover postage, expenses and labor.
2. The letter will further advise that the Association may / can turn the violation over to the Association's attorney, if not corrected, and that all attorney's fees and costs incurred will be charged to the owner's account.
3. The rights to use certain common areas may / can be suspended. Owner will be advised to notify the property management company if extenuating circumstances exist, if additional time to correct the violation is necessary, or if further information is needed.

Owner will be given the opportunity to be heard at the next regular meeting of the Board of Directors for the Holiday Station Owners Association, Inc.

Violations Turned Over to the Attorney:

The Board will make a determination as to whether the violating owner is to be turned over to the Association's attorney. The Holiday Station Owners Association, Inc. Board of Directors has the discretion to consider special circumstances applying to the owner.

Attorney Demand Letter:

If the violation is referred to the Association's attorney for a demand letter, the violation will remain on the inspection list until final resolution of the violation. Any and all attorney fees associated with the Demand for violation correction and collection of the associated fees shall be imposed on the owner's account and immediately becomes eligible for collection.

NOTICE AND HEARINGS:

Notice to the Owner's Address:

1. Each property owner is responsible for notifying the Association, in writing, at all times, of any changes in their mailing address.

2. If mail is returned from the property owner's last known address as undeliverable, and the property owner has not notified the Association of his or her current mailing address, then the inspector/Board or his designee has the authority to automatically order a locate search or a title search, **at the owner's expense.**
3. The inspector/Board has authority to order a title search if they believe the ownership of the affected property has changed.
4. Any costs incurred by the Association in determining or attempting to determine the ownership of a property and then locating the owner the property shall become charges due against the owner's lot.
5. Deed Restriction violation enforcement shall not cease solely because notices are returned by the post office.

Board of Directors Hearing:

1. If the property owner requests a hearing in writing within the 30 day period from the date they were given the first notice of their right to request a hearing, the Board of Directors must make arrangements for it to be held no later than thirty (30) days after the date that the Board or the property management company **receives** a written request.
2. The property management company will notify the property owner via first class mail at the property owner's last known address of the date, time, and place for the hearing no later than ten (10) days prior to the hearing date.
3. Either party may request a ten (10) day postponement and additional postponements may be made by mutual agreement.
4. If a hearing is set and the property owner fails to attend, the Board will reach a decision and mail the decision to the property owner at the property owner's last known address via first class mail.

Notice and/or Hearing Provisions Do Not Apply to the Following:

1. Lawsuit Filing. The Notice and Hearing provisions stated herein will not apply if the Association files a suit seeking a temporary restraining order or temporary injunctive relief or files a suit that includes foreclosure as a cause of action.
2. Temporary Suspension of Right to Use Common Areas: Without notice or hearing, the Board may issue an immediate temporary suspension of a person's right to use a common area if the temporary suspension is the result of a violation that occurred in a common area and involved a significant and immediate risk of harm to others in the subdivision. The temporary suspension will be in place until the board makes a final determination on the suspension action after holding a hearing according to the provisions herein.

3. **Recurring Violator:** If the Association sent the second notice letter described in this Policy to the property owner's last known address for a similar violation within the six months of the current violation, the Board of Directors has the discretion to impose a fine immediately upon written notice of the similar violation. The recurring violator is not entitled to an opportunity to avoid the fine by curing the violation. The fine for recurring violation shall be no less than \$25.00 or \$35.00.

Forced Maintenance:

As authorized by the Holiday Station Owners Association, Inc., the Board of Directors reserve the right to cure the violation, after appropriate notice, and charge the owner for the cost of such work.

Reservations:

The Board reserves the right to make decisions that may deviate from these enforcement policies based on the facts of each individual matter.

Approved and adopted by the Association on this 17th day of April 2025.

Declarant:

Creekmont Corner, LLC, a Texas limited liability company

By its Manager,

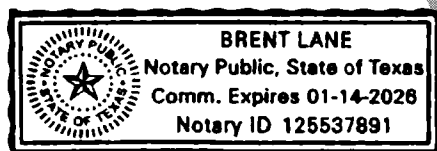
Provo-RE, LLC, a Texas limited liability company

By: Andre Jamal Reed
Andre Jamal Reed, Managing Member

THE STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on the 17th of April, 2025, by Andre Jamal Reed, Managing Member of Provo-RE, LLC, a Texas limited liability company, as Manager of Creekmont Corner, LLC, a Texas limited liability company, on behalf of said limited liability company.



[Signature]
Notary Public Signature

After recording, please return to:

Beard & Lane, P.C.

10611 Grant Road

Houston, Texas 77070

Tel: (281) 897 8848

Fax: (281) 897 8850

brent@beardlane.com

RP-2025-151821

Pages 76

04/24/2025 12:31 PM

e-Filed & e-Recorded in the

Official Public Records of

HARRIS COUNTY

TENESHIA HUDSPETH

COUNTY CLERK

Fees \$321.00

RECORDERS MEMORANDUM

This instrument was received and recorded electronically and any blackouts, additions or changes were present at the time the instrument was filed and recorded.

Any provision herein which restricts the sale, rental, or use of the described real property because of color or race is invalid and unenforceable under federal law.

THE STATE OF TEXAS

COUNTY OF HARRIS

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



Teneshia Hudspeth
COUNTY CLERK
HARRIS COUNTY, TEXAS